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War Costs and High Living Erode the 'Saudi Dream'

\$121 Billion Savings Gone in a Decade, And Covernment Now Borrows Abroad

The following article is based on reporting by ____billions of dollars in uncollected loans to mem-Stephen Engelberg, Jeff Gerth and Tim Weiner bers of the Sandi royal family, the indictment in and was written by Mr. Gerth. the United States of the head of the largest

New York Times Servi WASHINGTON — Saudi Arabia, long seen as one of the world's wealthiest commiss, has undermined its financial stability with a decade of unrestrained spending large military pur-chases and irregular banking practices. The \$121 billion in financial reserves amassed by Sandi Arabia less than a decade ago

have almost vanished, drained by expenditures for weapons, social programs, foreign aid and

The spending has far outstrapped the tens of billions of dollars earned annually from the largest oil fields in the world, which the state

Saudi Arabia began to feel the pinch in the mid-1980s, when oil prices fell sharply. Since 1983, the Sandis have racked up 10 consecutive years of budget deficits.

years of budget deficits.
In 1992, according to the U.S. Department of Commerce, the deficit represented 9.2 percent of Sandi Arabia's gross domestic product, nearly twice the comparable U.S. figure. Other estimates, including those by the International Monetary Fund, are lower.

As the Saudis have forged ahead with ambitions plans to build a well-armed modern state,

they have spent their national savings, and now

are beginning to buy on credit.

"The Saudis have been drawing down reserves for 10 years," a U.S. official said.

"They're a mere shadow of their former selves." With plenty of oil and relatively little foreign debt, the Saudis contend that they have financial prospects far better than those of most developing countries. "It's not a poor country," said a Sandi official. "It's not a scandal that we're not paying cash anymore. We have an infrastructure that will take us way into the 21st

Evidence of the Saudis' financial straits was supplied by Saudi business people and officials, U.S. foreign-policy and financial officials, Saudi documents and independent analysts in the United States, Europe and the Middle East.

These are among the troubles:

• Strains on the banking system, including

Fahd Names Council As Forum for Debate

RIYADH — King Fahit has appearance 60 citizens to a consultative council, which has no power but is Sandi Arabia's first forum for public debate.

The council is seen as a step to be o ing the government's base. Council members are religious leaders, government offi-cials, businessmen and professionals. The radical opposition is not represented. bers of the Sandi royal family, the indictment in the United States of the head of the largest Saudi bank and sudden demands from the Saidi government to borrow money, Saudi hanks took on a threefold increase of govern-

ment debt from 1989 to mid-1992.

• Requests for billions of dollars in loans and credit summantees from the West.

oredif guarantees from the West.

Anxiety, among international institutions, including the Bank of England and the International Monetary Fund. The staff of the monetary fund, in a secret report in 1992 on the Sandi economy, expressed concern about the country's budget deficits, which it said were fueled last year by military spending and a refuctance to trim social programs.

Until now, the Sandis have used their riches to buy security at home and abroad. The esti-

to buy security at home and abroad. The esti-mated 10 million citizens of Sandi Arabia pay virtually no taxes and enjoy an elaborate array of benefits, from education to health care.

In the region, the Sandis have spent tens of billions of dollars to buy off potential enemies, from Iraq to Jordan to the Pelestine Liberation

Organization.

The Sandi ruler, King Fand, keeps rivalries in check by allowing the kingdom's 4,000 princes easy access to the banking system, government subsidies and secret commissions on weapons deals, according to officials and business peo-

Saudi officials have in recent months in-formed their U.S. counterparts of a fundamen-tal decision: They intend to put the purchases of weapons first, and cut Saudi citizens' subsidies where necessary. But independent analysts, including the IMF officials, have raised questions about whether the Sandis had the

The most recent IMF staff report on Saudi Arabia noted that the Saudis intended to con-tinue payments to their neighbors in the Middle East. It quoted Saudi officials as saying that "political and social considerations precluded a reduction in subsidies or increases in fees and charges" to its citizens.

charges" to its citizens.

Although the report commended the Sandis for planning to make budget cuts, it said the cuts would not stop the Sandis' trade and budget deficits from deepening by billions of dollars over the next five years. "Such developments would be unsustainable and coald cause damage to the economy," the IMF report read.

"There's a whole lot of things they can do that will lot them slide for the next two to three years," said Patrick L. Clawson, a senior fellow.

years," said Patrick L. Clawson, a senior fellow at the National Defease University and former IMF registration But their underlying structure al problems are enormous.

Sandi Arabis has a "one crop" economy that indexwrites a welfare state. The price of that crop, oil, collapsed in the 1980s, and today.

stands significantly lower than in the boom

Sandi Arabia's treasury began to map the beachts from the pools of oil first discovered in See SAUDI, Page 11



RELAYING THEIR JOY - The U.S. 400-meter relay team striking a jubilant pose after winning the gold medal on the last day of the World Athletics Championships in Stuttgart. Later, another American team set a world record in the men's 1,600-meter relay. Page 15.

In America, It's a New Money Game

By Steven Pearlstein and Jerry Knight

WASHINGTON - When Shirley Sandage of Frederick, Maryland, pulled the bulk of her six-figure retirement nest egg from Washington banks earlier this year and transferred it to a mutual fund company in Valley Forge, Pennsylvania, she joined a quiet revolution that is knocking banks from their oncedominant place in America's financial sys-

I want to reure, and I cannot retire unless. I get more income," said Ms. Sandage; a program manager for the National Organization on Disability, a Washington-based advocacy group. By putting her money in mutual actions to the bonds and a host of newfangled securities, she expects to earn several times the 3 percent return now offered on bank certificates of deposits.

Ms. Sandage has abandoned the conventional banking system as a borrower as well as a depositor. The mortgage on her house is held by a Philadelphia insurance company. Her MasterCard comes from a Delaware "bank" that has no depositors and exists to

And a final twist: The insurer and the credit card firm each get some of their capital

First of two articles.

from Ms. Sandage's three new mutual funds at Vanguard Group Inc., showing how moocy is recycled through the economy without ever assing through a bank.

Millions of Americans are making similar choices, bypassing banks in favor of a com-puterized financial network that offers lower sts to borrowers and higher returns to savers. Their decisions rob banks of money and power, making them increasingly irrelevant to the lives of many Americans.

Banks and savings and loan associations bold just a third of the nation's financial

ning of the 1980s. Banks have seen their share of the credit market drop to 44 percent from 68 percent over the same period. Several developments lie behind this shift

of power and money. One is the rise of the mutual funds, which manage \$1.7 trillion and are growing at the rate of \$25 billion or more each month. At various times over the last two years, money market accounts — mutual funds that buy IOUs from blue-chip companies that need to borrow money for a few months — bave had as much money in them as all the checking

like those chosen by Ms. Sandage, account for 30 perceot of the trading on the New York See BANKS, Page 12

accounts in U.S. hanks. Stock mutual funds,

Central banks are having a hard time measuring money flows. Page 7.

Russia Delays **Pullout From** Lithuania and Halts Talks

It Renounces Deadline Of Aug. 31 and Warns Against 'Provocations'

By Fred Hiatt

Washington Post Service

MOSCOW — Russia said Sunday it was renouncing a commitment to withdraw all troops from Lithuania by Aug. 31, and it broke off talks with Lithuanians on the subject, according to a Foreign Ministry statement.

The statement and the subsequent cancellation of a meeting Monday between the two nations' presidents brought relations to their lowest point since the breakup of the Soviet Union in 1991.

The assertive tone by Moscow also reflected a growing inclination to claim special rights in former Soviet republics as part of Russia's

sphere of interest." Because only about 2,500 troops remain in Lithuania, the practical significance of the Russian action is uncertain. In the past, troop withdrawals from that Bahic state and from its two neighbors. Estonia and Latvia, have proceeded despite statements from Moscow that they would be suspended.

But the developments are likely to set off alarm not only in Lithuania but also in Estonia and Latvia, where larger numbers of Russian troops remain.

The Lithuanian charge d'affaires in Moscow. Richardus Deguis, said in a telephooe interview Sunday night that the Russian action was extremely troubling."

The illegal presence of Russian troops or Lithuanian territory causes great anxiety," he said. "We cootione to hope that Russia will fulfill its international responsibilities and meet the schedule for all troop withdrawals."

Moscow said in its statement that it would respond "pragmatically, swiftly and with ut-most decisiveness" to any "provocations or other ill-considered actions" against the Russian troops, their families or any other Russians

living in the Baltic republic.

It said it would notify Lithuania once it had revised its troop withdrawal schedule.

The Lithuanian president, Algirdas Brazaus-

kas, responded by canceling a visit to Moscow on Monday, a spokesman said, Mr. Brazauskas bad been scheduled to meet with President Boris N. Yeltsin to discuss the troop pullout. Since the three Baltic republics won their independence from the Soviet Union, with

drawal of Soviet - now Russian - troops has been perhaps their primary foreign policy goal. Soviet forces, coosidered "occupation troops by the West and by the oew Baltic govern-ments, built hundreds of naval, anti-aircraft and other facilities in the three republics. In late 1991, as the Soviet Union was collaps-

See BALTICS, Page 4

SOUTH AFRICAN VIOLENCE — A woman wept on learning that a relative was among the 12 blacks killed by gummen in an outburst of tribal violence near Johannesburg. Three persons were killed in a separate incident at a funeral in an ANC stronghold.

Managua Hostages Caught in Gunfire

The police said the gunmen thought they were under attack. No one was wounded in

The kidnapping came in retaliation for the

Rebel groups from both the left and the right are rapidly creating a climate of violence that threatens more upheaval in a na-tion that bas survived more than a decade of civil war. (Page 4)

Kunvait seeks the release of 627 of its citizens it says are still held by Iraq. Q & A. Page 2. Israelis reacted frostily to a human rights report condemning young Palestinians' deaths at the hands of the army. Page 2. Bosnian Muslims are expected to rebuff Geneva plan on nation's partition. Page 4. A Japanese minister set off a battle by sug-

Japan's trade minister said the country's surplus threatens the world economy. Page 7. Microsoft is the target of a second U.S. anti-Page 11.

Kiosk

Leftist gunmen holding 35 hostages in Managua opened fire Sunday when journalists abruptly moved nearer the building they had

the brief outburst.

seizure by rightist contra rebels of 37 officials last week in oorthern Nicaragua.

gesting that the focus of a war museum be changed. Page 5.

Business/Finance

Page 4. Page 4

FRANKFURT — For Germany and France, once steady allies but lately given to trading barbs, this is supposed to be a husy week of reconciliation.

Can a Week of Talks Cure

What Ails Bonn and Paris?

Trade friction will top the agenda Tuesday as Foreign Minister Klaus Kinkel meets his French counterpart, Alaio Juppe, in Dresden. and the two nations' top agriculture officials

By Brandon Mitchener

On Thursday, Chancellor Helmut Kohl is to meet with Prime Minister Edouard Balladur in Bonn for talks on the speed of European union, while the Bundesbank's governing board is to discuss recent currency turmoil — and possibly a new cut in interest rates — in Frankfurt.

Both Germany and France sought to play down the significance of this week's meetings,

especially the apparent coincidence of Mr. Kohl and Mr. Balladur meeting as the Bundesbank considers a rate cut.

"It's nothing special," said a German official, calling the meetings "routine."

But Europe and the world will be watching closely whether Germany and France, long the

center around which the rest of the European Community has revolved in recent years, can settle their differences and help put the Conti-oent's economic and political integration back

Above all, they will be watching the Bundes-bank, the scapegoat for much of Europe's trou-bles, for signs of goodwill oo monetary matters. "Mr. Kohl and Mr. Balladur want to signal understanding and cooperation to erase the image that German and France no longer get

See EUROPE, Page 12

Killing Widens Algeria Rift

By Youssef M. Ibrahim

New York Tures Service

CAIRO — Gunmen killed former Prime Minister Kasdi Merbah of Algeria in an escalation of the war between the country's secularist society and Muslim fundamentalists who are trying to replace it with an Iranian-style Islamic

The murder late Saturday of Mr. Merbah, 55, who has been known as a vehement opponent of Muslim fundamentalism, will deepen a rift in

Algeria that since January 1992 has created a state of near-civil war. More than 1,200 people including civilians, police, soldiers and Muslim fundamentalists have died and several huo-dreds have been wounded in the conflict.

Mr. Merbah was a prominent member of the estimated 5-million-strong Algerian Berber community. His assassination came hours after the military-dominated five-man High State

See ALGERIA, Page 2

India's National Airlines and Their Calamitous Tale

By Molly Moore

NEW DELHI — For four decades, flying India's bumbling national airways has been a traveler's mathemate of surriy ticket agents, overbooked flights and planes that routinely leave hours, if not days, after their scheduled departure time.

Enter the age of economic liberalization and the introduction of private airlines. See the smiling attendants. See the planes that don't leave passengers surving in hot airports because their seats were given to government bureaucrats.

Taste the free beer and champagne.
See the government-run airline squirm.
Since January, Indian Airlines, the bloated national domes-

Since January, Indian Airmes, the bloated national domes-tic carrier — often rated one of the worst in the world — has suffered a 46-day pilot strike, four hijackings and two crashes. Meanwhile, private airlines have been luring away passengers by the thousands.

The sky wars between India's emerging private airlines and the government's longtime monopoly, which includes Air-ladia, the international carrier, is the kind of fierce capitalistic competition unseen in this country for 40 years.

The airline industry is one of the most potentially profitable of those catering to India's burgeoning middle class. Nonetheless, the battle over the nation's skies has become the most. vivid example of the struggle the government faces in efforts to reform its ungid, Soviet-inspired economy.

Although Prime Minister P.V. Narasimha Rao's senior administrators have mandated a new "open skies" policy, the bureaucracy has done everything in its power to thwart the new carriers. It forbids private companies to publish schedules, refuses to give them hangar space and ties up delivery of imported spare parts for weeks.

"The sky may be open, but the ground is not," said Sabu V... Chacko, regional manager for East West Airlines, the largest of the four major private airlines.

While Mr. Chacko and other airline officials spend hours in court and in the offices of stubborn bureaucrats, the promotion departments of the new airlines are taking the fight to the

flying public.

They offer free beer and champagne to business-class fliers, food catered by some of the biggest hotel chains in India.

imported chocolates, surprise lotteries for free tickets during some flights and, on one airline, an in-flight fashion show. More important to most private airline converts, however, are clean planes, efficient service and flights that leave on schedule - services most passengers never associated with Indian Airlines, whose customers often complain of filthy aircraft, broken seats and seat belts, indifferent service and

ticket agents who must be bribed for seats. Earlier this month, a Toronto-bound Air-India flight was forced to return to New Delhi minutes after takeoff because of "technical problems." The airline shuttled irate passengers to a nearby hotel but refused to let them reclaim their baggage.

An international survey of first-class fliers on 50 arrines around the world recently rated Indian Airlines 50th for service and reliability. In a recent newspaper poil of Indian Airlines passengers, 63 percent of those surveyed said they believed the airline was imsafe.

"Private airlines serve and treat you well because they realize that it is a competitive industry and they have to take care of you," said Vijay Abrol, 32, who flies frequently in

A Lost Day in Paradise

KWAJALEIN, Marshall Islands — Talk about a lost weekend. The nearly 3,000 Americans living on this remote Pacific atoll have a good excuse for not remembering Saturday night: There wasn't one

Residents went to bed Friday night and woke up Sunday morning. That was because at midnight Friday Kwajalein jumped from one side of the international date line to the

Aug. 21 didn't exist here. "It's a stealth said Roy Clemans, an army spokes-

The Marshall Islands, a group of obout a bundred islets of which Kwajalein is the largest, are west of the international date line. But Kwajalein had synchronized its day of the

week with the U.S. mainland, to the east, about 40 years ago when the U.S. Army established a missile test range bere.

The Republic of the Marshall Islands requested the latest change so all its islets will be on the same side of the date line.

Kwajalein's work week will shift to Tuesday through Saturday, which is Monday through Friday in the United States. Church services will still be held on Sunday, which will seem like Saturday because it is the first weekend day off. Many people plan to use their Mondays to run errands the way most

Americans do on Saturdays.

"It really kind of makes you daffy," said See WEEKEND, Page 4

See INDIA, Page 5

Sheikh Salem as Sobah is the head of the Kuwait POW and Missing Persons in Iraq Committee and a member of Kuwait's ruling family. He has served in various high positions in Kuwait, including most recently the dual role of foreign minister and deputy prime minister. In London recently to begin a tour publicizing the plight of his countrymen still held prisoner in Iraq, he spoke with Erik Ipsen of the International Herald Tribune.

Q. How many Kuwaitis are still being beld prisoner?

A. There are 627 POWs being held incommunicado in Iraq. These people were taken during the occupation of Kuwait from the street, from mosques, from anywhere. They are just ordinary citizens. They were part of Iraq's human shield against attack.

Q. What are you trying to accomplish

with this campaign?

A. We have to tell the world that there are a large number of prisoners in Iraq. What we are seeking is to see that the

United Nations resolutions concerning prisoners of war and hostages are ob-

Q. Is your government opposed to the lifting of economic sanctions against Iraq until your hostages have been released?

A. Absolutely correct.
Q. Are you disappointed that two and a half years years after Saddam Hussein was thrown out of your country he is still in power in Baghdad?

A. Yes, unfortunately we are dealing with him through the Arab League and the International Red Cross concerning our prisoners of war but we are getting no response whatsoever from Saddam's regime. He keeps denying that he has the

Q. Should the allies have pressed on and removed Saddam Hussein? A. As an as Sabah I must say yes. I

wish they had continued not only to free our prisoners of war but also to free the 55 million Iraqis who are put in captivity

Q. Some felt that without Saddam in power Iraq would fragment and the world did not want that

A. We in Kuwait never entertained and welcomed the idea of a divided Iraq. On the contrary we should have a united Iraq, but under a different system of government. We want to see a constitu-

tional system in Iraq insead of a one-man Q. So you do not see Saddam as essen-

tial to keeping Iraq together?

A. No. on the contrary be is dividing Iraq. The Kurds are asking for independence. The south is asking for independence. It is the first time in history that we hear that the Iraqi people are asking independence from Baghdad.

Q. With nearly a million people and only 85,000 eligible voters, democracy in Kuwait itself seems stalled, particularly concerning attempts to extend voting rights to women.

A. As the government of Kuwait we have allowed women to vote in the cooperatives and in the sports clubs. Women have full respect in Kuwait. The govern-ment bas put this issue on the agenda of the parliament and now it is up to the parliament to decide whether to pass the

gained a large number of seats in the parliament. Does that pose problems for Kuwaiti democracy?

A. No, on the contrary this confirms that democracy is working in Kuwail.

Q. You do not feel fundamentalism. poses any threat, then?

A. The Kuwaitis who are in parliament, they are religious persons like me. I pray. But that doesn't mean that I grow a beard. But even growing a beard doesn't mean that you are a fundamentalist fa-natic at all. In Kuwait they are good Muslims, not fanatic ones.

Q. What is the status of the investiga-tions into the billions of dollars missing from the Kuwaiti Investment Office?

A. Both the government and the parliament have formed committees that have visited various offices and done their questionings. Now the matter is in the hands of the courts.

One of the KIO officials is walking in the streets of London. It is up to him to come back to Kuwait or not. The other one is living in the Bahamas and has

necessary. But let me tell you, although there are some as Sabah names involved some cousins of mine - we as the as Sabah family are against any such thing taking place and are in favor of submitting them to the court and letting the court decide.

Q. Why haven't they been brought back, then?

A. It is out of the hands of Kuwaiti authorities. When you are here you are under British law, not Kuwaiti law. Q. I have the sense you are not pursu-

ing this vigorously. A. No, no we are being very vigorous. Of that I assure you. We have submitted a request to Interpol and Interpol is do-

ing its best to locate certain people and bring them back if necessary. Q. It is possible that we are not looking nt a criminal matter?

A. Yes, it could be misjudgment in investments. A bad deal is bad luck, bad judgment, not necessarily a crime. It is not up to me, it is up to the courts to decide.

WORLD BRIEFS

German Opposition Rejects Coalition

BONN (Reuters) — The leader of the opposition Social Democratic Party rejected on Sunday the idea of a "grand coalition" with the Christian Democratic Union of Chancellor Helmut Kohl after elections

Speculation about the prospect has grown as support for both the center-left Social Democrats and Mr. Kohl's conservative party have slipped to around 35 percent in opinion polls. This suggests that neither party could plausibly govern without the other, a scenario that officials in both organizations say privately looks more and more likely.

But Rudolf Scharping, the Social Democratic leader, who holds talks with Mr. Kohl on Monday, said he was not "aiming for any grand coalition. I'll do everything so that it doesn't come to that." His comments largely match Mr. Kohl's statements on the issue.

Role for Khmer Rouge Left Open

PHNOM PENH (AP) — The Khmer Rouge can still have an advisory

PHNOM PENH (AP) — The Khmer Rouge can still have an advisory role in the government but must decide quickly to cooperate, the co-chairman of Cambodia's interim government said Sunday.

The co-chairman, Prince Norodom Ranariddh, made the comments two days after government troops captured Fhum Chat, a major Khmer two days after government troops captured Fhum Chat, a major Khmer Rouge base in northwestern Banteay Meanchey Province. The prince repeated demands that the gnerollas halt attacks on the government and give up the peritory they control — and added they must cooperate in the give up the territory they control—and added they must cooperate in the next few weeks before the new Cambodian government is formed. "We keep the door open to them," he said. "But the faction must not impose

Somali Blast Wounds 6 U.S. Soldiers

MOGADISHU (AP) — An explosion triggered by Somali militiamen destroyed a steel-reinforced truck in the middle of a U.S. convoy Sunday as it drove down one of the city's main streets. Six American soldiers were slightly injured. An American spokesman attributed the explosion to General Mohammed Farrah Aidid's forces.

Fire simplier explosions from either arenades or small mostare burst in

Five smaller explosions from either grenades or small mortars burst in front of the lead truck in the 22-truck convoy, and some vehicles came under small-arms fire, said a UN military spokesman. It was the third mine explosion aimed at U.S. forces since a similar device ripped apart a utility vehicle on Aug. 8, killing four American military policemen.

U.S. Loses Signal From Mars Probe

PASADENA, California (AP) — Engineers lost contact with the Mars Observer spacecraft as it was about to reach its destination but the craft is expected to orbit Mars despite the problem, NASA said Sunday.

The spacecraft failed to aim one of its antennas at Earth and restablished contact, said a spokesman for the National Aeronautics and Space Administration's let Propoleton I absorbed.

established contact, said a spokesman for the National Actoriances and Space Administration's Jet Propulsion Laboratory.

Engineers radioed computerized commands every 20 minutes in an effort to get the unmanned craft to send back a signal, NASA said. They

had lost touch with Mars Observer several times during its 11-month, 450-million-mile journey, but each time contact was restored.

Brazil Raises Toll in Indian Massacre

BOA VISTA, Brazil (Reuters) - The Brazilian government raised the death toll Sunday in a gold miners' massacre of Yanomani Indians in the Amazon, saying a village of 77 Indians was almost completely wiped out. Officials of the government Indian agency said the massacre in Roraima state near the Venezuelan border was the worst in the known history of the Yanomani, a tribe untouched until recent years by Western

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ministra S

The massacre occurred in the village of Hoximu, where 77 Indians lived. Only four of them were known to have survived, officials said. The survivors said the Indians were killed by gold prospectors, who have tried to push Indians off land so that they can pan for gold in rivers. Survivors said the gold miners enticed the men out of the luns with food.

Frand Seen in Central African Vote

BANGUI, Central African Republic (AP) — Thousands of people cast ballots Sunday in the Central African Republic amid charges of fraud panots sunday in the Central Atrican Republic annot charges of fraud and vote-rigging in the first free elections in 12 years. The country's military leader, General André Kolingba, faced seven other candidates in an effort of legitimize his rule.

International observers said an unspecified number of people were found corrected between these and 10 people and a serven of the country of the co

found carrying between three and 10 voting cards, and were arrested at voting stations in the capital, Bangni. The observers said they did not know whether those arrested had already voted more than once.

know whether those arrested had arready voted more man-once.

Central African Republic's lengthy transition to democracy has brought unprecedented hardship with cuts in Western aid, increased corruption and a collapse in the price of the chief export, uranium. A general strike began by unpaid government workers has crippled the country since April, schools have been closed for the past three years and

Nigerian Rebuffs Union on Handover

LAGOS (Reuters) - Nigeria's military government rejected on Sunday a demand by a trade union group that it hand over power to the president of the senate or face strikes.

Information Minister Uche Chukwumerije told a rally in the capital, Abuja, that the idea was unworkable, state radio reported. The country's military leader. General Ibrahim Babangida, had vowed to restore civilian government by Friday. Nigeria is certain to be enguited by strikes and civil disobedience if General Babangida, in power since 1985, does

not fulfill his pledge.

Mr. Chukwumerije said General Babangida was not an elected president and under the constitution only an elected president could hand over to the senate president.

Surviving Twin Improves Slightly

PHILADELPHIA (UPI) - Doctors monitoring the condition of Angela Lakeburg, the surviving conjoined twin separated by surgery, said Sunday they will have a better idea of her long-term chances after 72.

The 7-week-old girl remained in critical but stable condition at Chilhours have passed. dren's Hospital. Doctors said her blood pressure and circulation were good, her lungs appeared to be improving and she was moving around. She is being watched for signs of infection or pneumonia.

Angela and her sister, Amy, were born with a single heart and liver. A surgical team separated them Friday in an operation that killed Amy. Angela has been given a 1 percent chance of survival, but doctors said would have a better idea of her chances Monday.

TRAVEL UPDATE

The Swiss post office will issue a special stamp Sept. 7 to help raise funds to rebuild Lucerne's historic wooden bridge, which was destroyed by fire Wednesday. The stamp will show the 660-year-old covered Kapelibrücke, which spanned the Reuss River in the city center. (Reusers)

This Week's Holidays Banking and government offices will be closed or services curtailed in ving countries and their dependencies this week because of national and religious holidays:

TUESDAY: Georgia, Liberia, Ukraine, WEDNESDAY: Urugusy. THURSDAY: Namibia.

SATURDAY: Georgia, Hong Kong.

Sources: J.P. Morgan, Reiders.

ALGERIA: Slaying Widens Rift

Continued from Page 1 Council dismissed Prime Minister Belaid Abdessalam, replacing him with Redha Malek, the foreign

That move signaled a further hardening of the ruling establishment's attitude in its fight against Muslim fundamentalists. The government annulled the results of party appeared sure to have won a

Mr. Malek. 61. has served in Washington and Moscow as ambassador and played a role in the release of 52 Americans held hostage in Tehran by the Iranian gov-1980. His appointment was widely resolve to ignore suggestions of a dicast a dozen journalists have been assassinated. seen as signaling the government's

Mr. Malek has argued in a recently published book and in several articles for the separation of mosque and state, maintaining that allowing fundamentalists a share in power will retard the development talists. It will add a new dimension of Algerian society and doom the to what has become a slow-burning country's troubled economy, in ad-

dition to severing ties to Western

As reported by the official Alge-rian press agency, APS, Mr. Mer-bah was slain in an ambush as he returned from a beach bouse. Killed with him were his son, brother, bodyguard and chauffeur. The attack continued a pattern of terror. In the last two months Algerian fundamentalists have murparliamentary elections in 1990 in dered intellectuals and secularists which a Muslim fundamentalist in the presence of, or along with, members of their families.

Since May, six intellectuals, mostly writers and advocates of secular society, have been killed. Several leading figures in the government, most notably the ruling council's strongman. Major Generernment for 444 days in 1979 and al Khaled Nezzar, bave been the targets of aborted assassmation attempts during the past six months.

part of a secularly oriented ethnic group. His violent death will deep-en the enmity of the Berber community toward Muslim fundamen



EGYPT CONDEMNS FOUR — Relatives of militants reacting to death sentences for murder and plotting to overthrow the state. The suspects are said to be in a group that kills policemen and robs Christian jewekers to finance their operations. One suspect is a fugitive.

DUTY FREE ADVISORY

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Criticism of Army Prompts Frosty Response From Israelis

By David Hoffman

JERUSALEM - On the cover of simple drawing of a child, splattered with red. "Stop killing children." it says in bold type.

Recently, the Israeli burnan rights group B Tselem started distributing the pamphlets on street corners. In a society man prides itself on pampering children, the cover quickly caught the amention of passers-by.

But when israelis opened the pamphlet, their reac-

tions changed. Inside, it urged the Israeli Army to stop shooting Palestinian children. There were pictures of young Palestinians who had been killed. Statistics show more Palestinian children were killed by army fire in a recent six-month period than at any time since the beginning of the intifada, the Palestinian uprising

in the occupied territories that began in 1987.
In the past, reports by B Tselem about buman rights abuses in the Israeli-occupied West Bank and Gaza Strip have prompted lively debate as well as changes. But this time, B Tselem provoked only hostile

Some newspaper commentators said the rights group was troing to tarnish the army's reputation. Others said the group had overlooked the dangers posed to the soldiers by stone-throwing Palestinian cumpsters and accused BTselem of taking up the cause of the Palestinians. Others asked why B Tselem had not emphasized the deaths of Jewish children. Members of partiament acknowledged that Palestinian children were being killed but said the deaths must

have been apridental. On the street, the reaction seems to have been dishelief or indifference. "Are you aware of what you are saving." Ovadia Eli, a Likud member of parliament asked during a Knesset debate. "How is it possible to find fault in the soldiers?"

Naomi Chizan, a member from the leftist Meretz bloc. said: "Killing children is not an intentional policy of the security forces or the government. But the pleodbath is the last five and a half years is

The casualty toil is not in dispute. Thirty-eight Paissimans aged 16 and under were killed by the lerasii forces in the six-month period from Dec. 9 to Time 8 — twice as many. BTselem said, as were killed in the previous year.

Eitan Felner, the organizer of the campaign, said B Teelers per before had launched as broad a public compared. The group's past reports have focused on such issues as torture, army undercover units, the demoistion of Palestinian houses and the interrogation and detention of Arab prisoners. We decided to adopt a new strategy." Mr. Felner

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In an accompanying report, B Tselem said there was "no deliberate security force policy to kill children,"
But, pointing to the 232 children killed since the beginning of the unrising the group added: "The absence of deliberate intent does not detract from or mitigate the gravity of the guilt borne by the security social services have collapsed. The report charged that there was "a deliberate

policy of opening fire in situations in which soldiers are not in mortal danger."

BTsclem called for more restrictive rules on the use of lethal force and urged the army to use, where possible, nonlethal methods such as water jets and tear gas instead of gunfire. B Tsciem also called for better efforts to educate soldiers and more thorough investigations after fatal shootings.

The army responded by saying that it "regards

human life as sacred and that most of the children killed had been in riots, or "near armed terrorists who endangered the lives" of soldiers, or that the army had been unaware of their presence.

Israelis across the political spectrum found the

Tselem report hard to accept.
Elihu Katz, a sociologist, said the reaction suggested "a refusal to believe that the army is different from

what it is idealized to be." Tamar Liebes, a Hebrew University specialist in communications, said Israelis saw the army in very personal terms. "It's our sons, or our husbands, who are doing this." she said. "It is everybody, and you can't really blame them. They are being put in an

impossible situation." Ms. Liebes, who was active in a group that protested the conscription of young men for service in the occupied territories several years ago, said the soldiers "don't want to shoot the child, but they are shot because you don't want to take risks, and the com-

nanders transmit this message. Under stress in the streets, facing hostile crowds, the Israeli soldiers "get anxious and frightened and think everyone is against them," she said.

Some reacted to the B Tselem report by saying the children had been killed by accident.

"It's a fact these children are killed by mistake," said Moshe Givati, a former brigade com the West Bank, who was severely reprimanded by the army for his role in the fatal shooting of a Palestinian the early months of the aprising. He said soldiers face panic, hysteria and pre-That's why soldiers have killed other soldiers as well. In a war, that's what happens. War is terrible.

He added: "Don't the parents have any responsibility? If there is a riot and the parents know about it. why don't they tell the children to come home? And the 17-year-olds, don't they throw big rocks from the times 18-year-old soldiers lose control."

said. "The killing of Palestinian children had become something the Israeli public accepted and said. Thereis nothing we can do. People had learned to live with Whether you're training a mark arother country overseas, or call back to the U.S., Sprint Express* can help, lust dial the access code of the country you're in to reach an English speaking Sprint operator. You don't even have to be a Sprint on neutral source repairs a received and received a control of the +Guaiemala 1-800-877-8000 155-9777 +Liechtenstein 001-900-1212000 **▲**Honduras 00+0317 $\{\{\{a,b\}, \{a,b\}, \{a,b\}\}\}$ i (Safe ORGO-0115 800-1877 Hong Kong 828-13 8800-121 ✓ - China 44.00 o Macao △Hong Kong 980-13-0078

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roofs? A 17-year-old can throw a big stone. When a 2year-old is shot in the eye, there is no excuse. Some-

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STATESIDE / HOBNOBBING WITH BUBBA

Free-Swinging Perot Aims at Clinton Plan

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TROY, New York — In his first speaking tour of New York state since becoming a political force; Ross Perot criticized the Clinton economic plan, called for rejection of the North American Free Trade Agreement and urged his supporters to make a difference in elections at all levels.

"In 1994, the entire House of Representatives is sunning for office and one third of the Senate is running for office, right?" Mr. Perot asked a crowd of about 1,500 people in a fall empty college gymnasium in Troy. "You can be the awing vote screes this country, every place in the country."

Mr. Perot, who finished third as an independent presidential candidate last year, said that voters should demand changes in the economic plan just passed by Cangues and against by President Bill Clinton. The plan is intended to make modess reductions in the federal government by raising a variety of traces and calling apending on such programs as Medicane.

"Just make it clear that if they want your wate they re-going to have to give us an overliauled plan that balances the buildist and pays down the debt, because it is wrong to leave our children this burden."

Mr. Perot said.

Mr. Perot said. (NYT)

Medical School Head to Lead Health Agency

WASHINGTON—David Saicher, president of Meharry Medical College in Nashville, Temessee, was named director of the Centers for Disease Control and Prevention.

The agency, headquartered in Athons, deals primarily with combating broad-scale health risks such as inherculous, cancer, AIDS, occupational health and safety problems, and epidemic childhood diseases, through immunization campaigns and elitection of the public. The appointment does not require Sensite confirmation. Dr. Saicher, 52, his braded Mehirry rise of febr mainly black medical schools in the nation, for the past 11 years. Before that he was a professor and department chansus at Marchouse Medical College in Atlanta.

Goldwater Chides His Party on Cay Of San

WASHINGTON — Former Senator Barry Goldwrier, who for years was the conservative voice of the Republican Party, says it is just plain dumb" for Republicans to oppose homosexuals in the armed forces.

"The Republican Party should stand for freedom and only freedom, the former Arizona senator said in an interview with a national homosexual magazine. The Advector.

Mr. Goldwater also said he had lost all respect for the religious right. "There is no place in this country for practicing religion in politics," he said. "That goes for Palwell-Robertson and all the rest of those political preachers." He was referring to the Reverend Jerry Falwell and the television evangelists and one-time presidential candidate Pat Robertson.

He said that relevision evangelists were, raising hig money on God," and added: "I don't believe in that, It's not a very religious thing to do."

(AP)

President Clinton on the health-case overhand plan: "Only the United States has 1,500 separate health insurance companies writing thousands of different policies, requiring millions of people to keep up with the paperwork in doctors offices, in hospitals, in the insurance companies themselves. We've going to have one basic insurance form instead of thousands. We'll reduce inglitmanish paperwork that now requires four times as many clerical workers to be hired as new health care providers, just so keep up with the mountains of red take. A STATE OF THE PROPERTY AND STATE OF THE PROPERTY OF THE PROPE

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Away From Politics

* A Denver passeship ad a transported of the "back to school special, and 400 people responded. The "back to school" line was supposed to have been included an an aid for musical instruments.

The Masters and Johnson hastinate plans to open a 24-hour sex hot bine, one of the founders of the Toronto institute said. "We're going

inte, one of the founders of the Toronto institute said. We're going to try to get besic set education to the public," said Dr. William Masters. "It's going to be, I hope, a tremendous service."

• More than 60 fishing bests bettled up the Walder Narrows, preventing oil tankers from reaching the trans-Alaska pipeline terminal, to protest the area's oil spill recovery effort. The blockade was amed to emphasize weak returns of pink salmon in Prince William Sound Some fishermen attribute that, and a weak run of herring this spring, on the affectifiedts of the Existing Valder oil spill in 1989.

• A post office manal in Oglesby, Illinois, showing luctions with bared buttocks was returned to public view after more than 1,000 people signed petitions to get it back. Blinds had been placed in front of the 51-year-old painting of an Indian war, "Illim and Potawatomies Struggle at Staived Rock," in mid-June after a junior complained that it promoted homosemelity and violated his civil rights.

• Two H.S. soldiers were tilled and 11 historial when their firee

Two U.S. soldiers, were hilled and 11 bijared when their three tanklike vehicles—traveling abreast at night—plunged over a chiff during a training exercise at Fort Irwin California.
New York City police officers will begin this autumn to phase out their 38-caliber revolvers for 9-min sequentionatic handgums. The move reflects a change of position for the department, which had

resisted the quicker, more powerful weapons. The state of the s

AMERICAN

TOPICS

Rural Chettos Grow

In Mississippi Delta

Throughout the Mississippi Delta and the other poorest parts of the South, small towns that were once economically stable and racially mixed are becoming

pockets of poverty and over-whelmingly black — 75 percent

Some experts, according to The New York Times, say a new kind of ghetto is evolving: rural in-stead of urban, but sharing many

conditions of the inner city: white

flight, black poverty, a disappear-

ing job base, reliance on govern-ment welfare payments, rising crime and social isolation.

This is taking some of the his-

ter off one of the great success stories of the South, its rising tide

of black elected officials. Many

of them have come to political

to 100 percent so.

Martha's Vineyard? Blasé? Not About First Vacationer

lege or prominence. A place where Jackie O protection.

— no full name needed — can shop for Upon the

over every detail of the Presidential Vacation. They are ikching for invitations to the well-wishers and signing autographs. prominence," invitation-only dinners with the nation's seems unfazed by the commotion. Top Tourist and buying up Clinton T-shirts in bulk

President Bill Clinton sparks pandemo-mum as crowds of Islanders and visitors Gaggles of gawker

Martha's Vineyard was supposed to be an whom apparently waited hours to see him, teeing up.

island unfazed by people of power, privices the parties.

And then there are the parties.

lege or prominence. A place where Jackie O
— no full name needed — can shop for groceries undisturbed, without sunglasses.

Forget all that talk about staid, understand Martha's Vineyard.

Most year-round residents do no: even the island earlier Thursday, nut was pack those for an invitation to one of the excitation has been and crafts exhibit. As they emerge from the exhibition hall, Chelsea has a look of terror

Most year-round residents do no: even the island earlier Thursday, nut was pack the selection.

Friday night was the exclusive dinner given by Mrs. Graham. Her spokeswoman discreetly refused to make the guest list regget all that talk about staid, underated Martha's Vineyard.

This out of their realm, Mr. Ewing says
and craits exhibit. As they emerge from the
exhibition hall, Chelsea has a look of terror
This out of their realm, Mr. Ewing says
on her face when she sees the awaiting
on her face when she sees the awaiting
the every detail of the Presidential Vacathrong. Mr. Clinton, shaking hands with throng. Mr. Clinton, shaking hands with

we've nad a lot of folks who are the power elite lurking about here for years, hill there's something about the president time islander, says of his fellow Vine-yarders, as they are called. "But they are stand up and notice," said Carl Buder an excited too." stand up and notice," said Carl Buder, an Styron. innkeeper. "That's something that goes be-

That would be the subculture of media and power elite who descend seasonally — home of Lucy and Sheldon Hackney. She is

on the guest list was Jacqueline Kennedy would start to poop out soon. Onassis. She caused a minor stir by leaving Most year-round residents do no: even the island earlier Thursday, but was back

عندامن الرمل

ning author and the singer Carly Simon.

everyone from the columnist Art Buchwald a longtime friend of Hillary Rodham Clinto Katharine Graham, chairman of The ton's, he is the incoming chairman of the Washington Post, to the author William National Endowment for the Humanities. After a one-night respite on Sunday, Mr.

There's a lot of jockeying among the rich and famous as to who's been invited ham's for another affair on Monday, and minum as crowds of Islanders and visitors

Gaggles of gawkers hang out on roadtrying to get a glimpse of him surge forward, forcing Secret Service agents to form

Gaggles of gawkers hang out on roadand who hasn't," said Peggy Eastiand, potrying to get a glimpse of him surge forward, forcing Secret Service agents to form

beige van that serves as the presidential

"You want to come fishing with me and
primored to store visiting Mrs. Onassis —
prespons on her yacht — on Tuesday."

Thursday was the big Climton birthday

Mr. Styron, one sought-after dinner

(AP, Reuers)

EDGARTOWN, Massachusetts — tural fair. Hundreds of people, many of links where Mr. Clinion is runsered to be the presidential adviser. The biggest name events and predicted that even the hardiest runsered to be the presidential adviser. The biggest name events and predicted that even the hardiest runsered to be the presidential adviser. The biggest name events and predicted that even the hardiest runsered to be the presidential adviser. The biggest name events and predicted that even the hardiest runsered to be the presidential adviser.

"I think he'll spend the rest of the week relaxing," Mr. Styron said of the president. He's wonderfully relaxed and he's having a great time."

For those who have not had luck snagging a dinner invitation or even catching up with Mr. Clinton on a street corner, all what we call 'summer people,' by people of David McCollough, the Pulitzer Prize-winis not lost. There are other means of com-

> A local radio station is running taped messages from townspeople, and cable TV is scrolling through written messages from

Given Mr. Clioton's penchant for channel-surfing, that just may hold the best

96 Years Later, N.Y. Museum Sends Eskimo Bones for Burial

By Michael T. Kaufman

New York Times Service NEW YORK — Six weeks ago employees of the American Museum of Natural History packed four skeletons into separate boxes and shipped them to Greenland.

The boxes contained the remains of Eskimos who had been brought to the museum in 1896 by Robert E. Peary to be interviewed, examined and measured. Their return for a traditional hurial in the Arctic permafrost brings to a close a tragic and shameful tale of aboriginal people victimized by scientific zeal.

It is a story of human beings brought to New York as specimens. who with no natural immunities quickly succumbed to diseases of that latitude. It is also a story about the one who survived, a boy named Minik, who grew up in the Bronx, enrolled at Manhatian College and fruitlessly challenged the museum, its directors and the lionized discoverer of the North Pole, demanding his father's body so he could

bury it. Now 96 years after the party of Eskimos was first brought to New York and 84 years after Minik fled New York, the museum has sent the bones to Qunaaq, the Oreen-land village closest to the point where Admiral Peary had talked the Eskimos into accompanying him south,

"We have now done the only thing we could do," said Ian Tattersall, the director of anthropology at the museum, explaining his almost 10-year effort to find Greenland Eskimos willing to accept the bones for burial. As to why the bones had been placed in drawers to be kept for

almost a century, the 48-year-old ferent world, a world of very different sensibilities."

Franz Boaz, one of the founding fathers of anthropology, was at the Mr. Clinton teeing off for a round of golf at the Farm Neck Country Club on Martha's Vineyard. museum and cager for data when sponsors of Admiral Peary's na-

he asked Admiral Peary to bring tionalistically tinged quest to be-

Admiral Peary brought back six top of the world. — four men and two women — exhibiting them to paying custom-ers aboard his ship. Hope, before

taking them from dockside to be housed at the museum On Oct. 11, 1897, The New York Times, with patronizing contempt, reported. The unfortunate little savages have caught eold or warmth, they do not know which, but assuming it was the latter their sole endeavor yesterday was to keep cool. Their efforts in this di-

rection were a source of amuse-ment to several scores of visitors." The following February, Qisuk, Minik's father, died of suberculosis at Bellevue Hospital. The others, farm. Three more soon died and the last adult, Uisaakassak, was sent back to Greenland. Only Minik, who was perhaps 6 or 7, was left alive in New York.

intendent of the museum's build-ing. It was a strange choice. For one thing, according to "The Noose of Laurels" (Atheneum, 1989), a book about Admiral Peary's race for the pole by the Arctic historian Wally Herbert, it was Mr. Wallace who processed and bleached the bones of Qisuk and the others in a macerating plant he ran in Cobleskill, before returning them to the muse-um. Mr. Wallace was a shady character who was taking kickbacks from contractors, an offense for which he was soon to be be dis-

missed. The patricians who ran the museum, men like Morris K. Jesup, a YMCA, surely had the resources to provide the orphan with the most expensive care and education. But these people were also the chief

come the first man to stand on the

They may well have thought that by turning the boy over to someone believed to be a trusted employee they were shielding the explorer from potentially damaging ques-tions about his role in bringing Eskimos to New York to die.

Mr. Wallace and his wife, Rhetta, grew genuinely fond of Minik, raising him along with their own son in an apartment on West Tremont Avenue.

In the most detailed study of the case, a Canadian book called "Give Me My Father's Body, the Life of Minik, the New York Eskimo," Kenn Harper, an amateur historian who were coughing blood, were sent by the museum to an upstate west Territories, wrote of Minik's attending public school and Sun-day school and calling himself Mene Peary Wallace.

The boy, who returned to the Arctic for a few years as an adult, The museum officials gave the died in New Hampshire in 1918 of boy to William Wallace, the superinfluenza at age 28.



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Rodney King Faces a New Charge

now wants Ivan sent to a 200.

Christine Craft became a household name 10 years ago when she was dismissed as a tele-

vision anchorwoman in Kansas

City on grounds that she was nei-

ther young nor pretty enough. She seed and won, but lost on

sacr speciator won, but lost on appeal. Today, at 48, she has her own talk show on radio. She takes calls from 9 P.M. to midnight each weekday at Sacramento, California, station KFBK, where one of her predecessors was the

conservative spokesman Rush

Limbangh. Though Ms. Craft takes a far more liberal line than

Mr. Limbaugh, she takes a dim view of street crime and bilin-

gualism, which, she says, "screws

up the school and costs billions."

Any regrets? "Nary a one," she says. "If I hadn't rocked the boat,

I might have had a few more jobs in television and been a tele-has-

been a few years later. But I'd

never have been top of the heap."

About People

Los Angeles Tones Service

LOS ANGELES - Rodney G. King, whose videotaped beating by police officers in Los Angeles gen-erated a national furor and ultimatchy triggered riots there, was arrested on suspicion of drunken driving after his car crashed into a

the company hopes eventually to include all 700. Patients will be

include all 700. Patients will be given chits to redeem at pharmacies. Rouald Nordmann, a drug industry analysi for Paine Webber Securities, said Pfizer's program "will win them justified good publicity, but it's the minimum in terms of overall sales."

Pfizer had about \$4.5 billion in

Ivan the goriffa remains all alone in his 40-by-40-foot (12-by-12-meter) concrete enclosure in the zoo corner of the R&I Shop-

ping Center in Tacoma, Washing-ton, despite years of picketing by animal rights activists who want

him sent to a 200 where he can

mingle with other gorillas. Ivan-now 29 and weighing 500 pounds (about 225. kilograms), arrived from Congo as an infant in 1964

and has been alone in the cage for 26 years. Mitchell Fox, an official

of the Progressive Animal Wel-fare Society, or PAWS, says: "We-

have every indication that the ex-

peris are correct in their assump-tion that Ivan can be resocialized

and live out the rest of his life in a more natural habitat." Ivan may get his chance because of a rift

worldwide sales last year.

dent occurred at 1:40 A.M. Saturno other vehicles were involved in day, near downtown Los Angeles.

He was taken into custody with-out incident. It was his fourth ar-While the police said that Mr. King's arrest did not receive any special handling, they acknowl-edged that department supervisors rest since the internationally televised 1991 videotaped beating. Mr. King was charged with misquickly went to the scene when demeanor drunken driving and rethey learned whom they were deal-

leased about three hours later without bail. He was hooked on Police officers found Mr. King The police said Mr. King's misdemeanor rather than felony blood-alcohol level was more than drunken driving, a spokesman said, twice the legal limit when the accisitting behind the wheel of his car, which had crashed into a high wall. No alcohol was found in the car. Officers gave Mr. King a sobriety test at the accident site, then took him to headquarters where he sub-mitted to a breath test that regis-tered a .19 percent blood-alcohol reading. California's legal limit is the country. A spokesman said | among the owners; one of them



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Monday

Wednesday STAGE ENTERTAINMENT 1.78 - 17.45

power-only to inherit the dust of economic abandonment.

We have 1,476 people, but we may have 100 who actually work, said Bobbie Walker, former mayor of Jonestown, Mississippi, which is 95 percent black. She added. People expect minacles because there are black people in office, but this town is so strapped, and the tax base is so small, you can barely stay affect.

A Southern butter to the travells.

A Southern twist to the travails

A Southern twint to the travells of small towns throughout the United States is that most of the South's poor blacks are dependent on an agricultural economy that no longer needs as many workers because of increasing mechanization.

Short Takes

Plant, the Magest IIS and mechanization.

Short Takes

Plant, the Magest IIS and mechanization.

Short Takes

Plant, the Magest IIS and mechanization.

Short Takes

Plant, the Magest III and the properties of the mechanization of the mechanization of the base selling prescription drugs free to as many as a million poor people who have no health insurance. Other drug companies have similar programs, but Place's is the baggest, bosting an estimated \$11 million next year at about laif the 700 community, migrant and homeless health centers in

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Saturday-Sunday ART/

Herald Cribune.

UN Sanctions on 'Pariah' Block Medicines

By Henry Kamm New York Times Service
BELGRADE — Dr. Bozidar Visite bent over the comatose child and ghunly checked the equipment that pumped a kind of life into the 4-year-old boy. He was asked if

there was any hope. "No," the pediatrician replied. But Dr. Vlajic said there was no reason the boy, Dejan Zdravkovic, would not have recovered if the hospital, the Mother and Child Institute, Yugoslavia's finest pediatric center, had been able to give him the common anti-epileptic not getting through in an unusual a

Or, he added, if Dejan's parents

Compiled by Our Staff From Disposches

na — President Alija Izetbegovic said Sunday that the new plan for

his republic worked out in Geneva

could oot be accepted and would

be rejected by an assembly later in

conference just hours after he re-

turned from Geneva, indicated that

his government would continue

trying to win more concessions from the Bosnian Serbs and Croats.

lims 31 percent and Croats 17 per-cent of the territory.

Mr. Izetbegovic said Sunday that

the plan had good aspects, includ-

ing the preservation of Bosnia-Her-

zegovina as an internationally rec-

ognized state. He also pointed to a

reduction in fighting in the last three weeks and an improvement in

But the president, who is a Mus-

him, said that "at first glance" the

He said the plan would be dis-

cussed by a Bosnian assembly, in-

cluding not only parliament mem-

There were these developments:

By Alan Truscott

THE higgest theoretical gulf be-

Ninth Street, No. 908, Chicago, Il-

which Marty Bergen, the originator

ARTISTIC DIFFERENCES

By Charlie Hauck. 238 pages.

Reviewed by Janet Maslin

WITH a title meaning either "f

W quit" or "you're fired" in Hollywoodese, "Artistic Differen-

ces is a caustically funny account

of star temperament within the

world of network television. The

novelist, Charlie Hauck, clearly

knows his terrain. As a conse-

quence of having variously written,

produced and created seven half-hour comedy series (among them "The Associates") and living "in Los Angeles, about 10 blocks from

Michelle Pfeiffer" (according to the

jacket copy), Hauck keenly appro-ciates the rules of the game. "Never

let the star know that there are

other people in the world" is one of

the helpful hints his story provides.

\$21. William Morrow & Co.

bad aspects prevailed,

matter what I suggest."

Ultimate rejection of the plan

SARAJEVO. Bosnia-Herzegovi-

Bosnians Expected

To Bar Peace Plan

federal Yugoslavia. Smuggled drugs cost up to five times the normal price, and many families have sold land, cars or furmiture to buy antibiotics, anti-can-cer drugs, insulin or anesthetics.

The sanctions resolutions, passed by the UN Security Council because of Yugoslavia's support for the Bosnian Serbs in their war with Muslims in Bosnia, specifically exempt medical supplies. But doctors, aid workers and international officials here say medicine is

In an unusual appeal to the heads of their organizations, the top representatives in Yugoslavia could have afforded to buy the of three international agencies drug on the black market, where wrote a letter in June to the UN those with money can overcome the effects of United Nations sanctions the World Health Organization against Serbia and Montenearo, and the International Federation

the two republics in what is left of of the Red Cross. The medical situation here, they said, is "catastrophic."

They cited a rapid increase in tuberculosis, a tripling of the death rate in mental hospitals in less than a year, a drop in immunization, deaths due to a lack of transportation to bospitals, lack of transfusion equipment and shrinking capacity to do life-saving surgery.

For lack of sedatives, mental

hospitals have returned to chaining patients, they said, and diagnostic capacity is declining hecause equipment, largely imported, has been breaking down and X-ray film

Supplies needed to test for the virus that causes AIDS are running out, they said, and some bospitals perform transfusions with blood that has not been tested for hepati-

Moreover, the officials continued, hospital and personal hygiene and water purity are at risk for lack of such basic supplies as detergents and disinfectants, and for fuel to

collect garbage and heat water. Yugoslavia depends on imported raw materials for its pharmaceutical industry, and an evident cause of the medical shortages is the em-bargo on exports, which can earn ing hills shelled the area foreign currency.

But the three international officials attributed the situation largely to Serbia's pariah status since the war in Bosnia broke out

They cited the UN Sanctions Committee's delays in approving requests for imports; former suppliers' unwillingness to sell anything to this country despite approval; blocking of payments from Yugoslav accounts in foreign banks, and bureaucratic delays caused by border and customs offi-

There is a conscious effort to make these people suffer," said Lyndall Sachs, information officer

for the UN refugee agency.

Dr. Hannu V. Vuori, a Finnish doctor who heads the World Health Organization's office here and was a signer of the letter, said

"The Sanctions Committee takes months to give clearance. There are very exact forms to fill out. If you don't tick one box, they just put the form aside and don't even tell you

A UN official in New York acknowledged that there was a prob-

Ms. Sachs said that there was an alarming lack of private aid organito lands of former Yugoslavia were "negatively earmarked," that is, not to be used in Serbia and Mon-

tenegro.

Donatella Linari, the representa-tive of the United Nations Chil-The strategie Masleoica council trimmed the list to 23. The dren's Fund, said: "It's a complete disaster. Much attention is being with the Dalmanian Coast, was reserve on the tribunal within the paid to Bosnia, but this country is opened for the second time in research month. (Reuters, AP, NYT) facing a catastrophe."



A Spanish member of the UN force in Bosnia trying to cheer up a wounded boy in a makeshift hospital in Mostar.

Muslims' 3-Month Purgatory in Mostar

By John Pomfret

MOSTAR, Bosnia-Herzegovina — Selma Handzar looks like a mangled doll who has lost her right arm. The 9-year-old squints at the world from a face covered with tiny red craters. The wounds on her legs also cut deep, and her doctors fear she might lose another limb. There's blood on her sheets and a teddy bear with a yellow nose on her pillow. Her brother Mirza, 7, lies next to her, holding

her hand. An unwieldy bandage dwarfs his bony right leg. He's woozy from painkillers, and sometimes he cries because he fears an operation. His doctors have some hope he will

A shell crashes nearby. Its blast shakes the walls and feels like a punch in the chest. A cacophony of gunfire explodes all around,
"If I leave Moster will I walk on my own

legs?" the little boy asks. There is no sign that the Handzar children or other Muslims in Mostar - will be able to

leave anytime soon. For the past three months, Croatian gunmen have relentlessly blockaded and bombarded the estimated 30,000 Muslims in the east of this city, 80 kilometers (50 miles) southwest of Sarajevo.

While the Serhian siege of mostly Muslim Sarajevo has captured headlines, little informa-tion has trickled out about the Muslims block-

aded in Mostar by Croats.

For the first time since the blockade began, a UN pairol entered the east bank of Mostar on Saturday, What they found, as they delivered a symbolic shipment of aid (about 20 small boxes of medicine but no food), was a "desperate humanitarian situation," according to Cedric Thomberry, deputy chief of the UN mission in

Mr. Thomberry said that he hoped the be-sieging forces of the Croatian Defense Council would allow an aid convoy in soon, but that he has had no promises. "I don't think they have many days left to hang on," he said, emerging shaken from the ward where he had visited the wounded children.

It was on Friday that a mortar shell fired by Croats on the west side of the Neretva River blasted into the Handzar family's garden on the east side and left the children lying in the dirt. It was a tragedy that has occurred with appalling

regularity.
Since the blockade began in June, daily Croatian bombardment has left 107 civilians dead and 433 wounded, according to statistics com-piled by military authorities here. They would not reveal military casualties.

A spokesman for the UN Protection Force, Lieutenant Colonel Parricia Purves of Britain. said the United Nations was considering beginning airdrops to the city if the Croats did not lift the blockade.

U.S. military officials, who have taken the lead in the airdrop program, have been proposing for weeks to add Mostar to the areas receiv-

Asked to compare life on the east bank with that of the Croatian-held west bank, Mr. Thornberry said the Muslim side was "worse, much worse.

While the Croatian side has almost continuous running water, about 12 hours of electricity a day, ample food and beer, the only water on the eastern side is that gathered in cisterns from the Neretva, within the range of Croats' guns. The Muslims manage to chlorinate the water, but pastrointestinal disorders are rampant. An improvised hospital with only 50 beds functions in the basement of a turn-of-the-

century laboratory. It is running out of medi-cine. At the sprawling hospital on the Croatian side, an official boasted that they lacked noth-

ing.
In the Muslim hospital's small operating room, a surgeon wearing flip-flops tried to save the life of a Muslim man who had been forced by Croats to walk across the front line between the warring sides. Someone shot him in the head and the back as he was doing so.

In a room next door, nurses and other doctors took a break, joking and smoking. Many have worked for 100 days straight, said Dr.

"We are exhausted," she said. "We are at the end." For more than a month, the hospital had one surgeon who was operating on more than

10 patients a day.

The UN delivery of medicine brought bitter smiles. What people really want is food. Communal kitchens manage to cook only one meal a day — hunch — and what they offer is meager. beans and bread that tastes like cardboard. The only vegetables come from gardens like the one where the Handzar children were playing.

Every building in this old town has gaping shell holes. Ottoman-style houses with cool courtyards, sprawling Anstro-Hungarian villas and drab Communist-era apartment buildings look as though they have grown mouths that seem to grin or to how!.

"This is supposed to be a big cease-fire day," Mr. Thornberry said, ducking behind an armored personnel carrier of Spanish troops to

escape aniper fire.

Since fighting erupted here May 9, Croats around Mostar have detained about 12,000 Muslim men in camps south of the city. Many of them have been forced to dig trenches or fill sandbags on the front line,

ment officials, includ

anti-comption comm

ests threatened by the actions of

the ministry to bring order to for-

But Mr. Glazyev's department

fessed reasons for resigning, sug-gesting he should have admitted to

political and professional mis-

Last week, just before the back-

to-back resignations, the presi-

dent's corruption commission ac-cused Vice President Alexander V.

Rutskoi of ties to a Swiss bank

account of \$20 million in Russian

inward and withdrawing Russian

forces and diplomats have assumed a more active role in recent months

in several corners of the former

takes" rather than blame his col-

leagues in the government.

Leftists **Holding 35** In Managua Open Fire

MANAGUA — Leftist gunmen opened fire Sunday when journalists abruptly moved on the Mana-gua building where the group was holding about 35 hostages, includ-ing Vice President Virgilio Godoy Reyes, the police said.
The gunner fired after several

foreign and local reporters man-aged got through a police cordon and ran toward the building.

The guerrillas apparently mis-took that for an attack, a police spokesman said. No one was reported injured. Radio Ya broadcast the sound of

numfire. The shots soon stopped, but more firing was heard about 15 minutes later.

The hostage-taking by leftists at the headquarters of the National Opposition Union alliance came in retaliation for the seizure by rightist contra rebels of 37 officials on their way to peace talks with insurgents in the north of the country. The alliance of 14 parties got its name during its opposition to the previous Sandinista regime.

Negotiations to try to free both Negotiations to try to free both groups of hostages have made little progress, though the pro-Sandinista kidnappers released 14 hostages Sanday as a goodwill gesture.

The rebel groups—from the left and right—are rapidly creating a climate of violence that threatens

more upheaval in a nation at war off and on for decades.

After the gunfire stopped at the party headquarters, the abductors paraded several of the captives, stripped of their clothes, before the windows of the building, witnesses said. One was the former assembly speaker, Alfredo César.

The pro-Sandinista gunmen said earlier Sunday that local journalists allowed into the building were now also hostages, after local press re-ports identified several of the guerrillas by name. (AFP, AP) M U.S. Holds Firm

Daniel Williams of The Washington Post reported from Washingto Three months after releasing \$50 million in aid to Nicaragua that was delayed because of allegations of human rights aboses, the Clinton administration is telling Nicara-guan leaders no new U.S. aid will be forthcoming as long as Sandinis-

lice and intelligence services. Issues of consequence to the United States include failure to prosecute cases in which the army or intelligence service are prime suspects in assassinations, apparent intelligence links with terror organizations and the slow com-pensation for land confiscations carried out by the Sandinista gov-

ta officials command the army, po-

The ouster of Sandinistas from must remain independent," he told tion letter: "Opposition turned into top security positions is key to open persecution of myself as achieving progress on these q

whom he suspected was behind the soon as the new rules were an- tions, State Department officials

oounced. Saying he had been ousted by a cabal of top govern-Minister Yuri K. Kalmykov, he WEEKEND: also pointed to a "power struggle by malia bands feeling their inter-

Continued from Page 1

Crossing the Line

had also been the subject of an investigation by a Mr. Yeltsin's Celeste Kim, a nurse. "Yon're not sure if you're coming or going."

She added that national holi-Foreign Minister Andrei V. Kodays, like the upcoming Labor zyrev dismissed Mr. Glazyev's pro-Day, will be taken on Saturdays, which are Fridays in the United States, instead of Tuesdays, which

would be Mondays.

Kwajalein residents, about 3,000 American military and civilian workers - there are virtually no native islanders - marked the occasion with a two-mile, three-day run. "Run Around the Clock" began just before midnight Friday and ended a short time later, on

Sunday morning. Kwajalein is a crescent-shaped coral atoll about 2,300 miles (3,700 kilometers) southwest of Hawaii. It is dotted with palm trees and, on the lagoon side, graced with silky white beaches with brilliantly clear

turquoise water.

Bob Schamay, manager for the security and law enforcement contractor on Kwajalein, was stoic about the date line change. "It's just another day in paradise," he

was one less day in paradise.

German Police Hold 180 Staging A Racist Concert

BERLIN - The police in Eastern Germany arrested about 180 people trying to stage a concert leaturing rightist and racist "skin bands," spokesmen said Sunday.

Hundreds of officers in the states of Brandenburg and Sachsen-Anhalt moved in to stop the skinheads from finding an alternative venue for a Saturday concert that had been banned in the town of Prit-

Spokesmen said those arrested included members of two bands, one British and the German, Officers confiscated air pistols, knives and spray cans, and said they were

The Baltic port city of Rostock banned any demonstrations that might have commemorated the

Yeltsin Cabinet Member Falls in Scandal warned was an imminent legislative who keeps saying that the media Mr. Glazyev said in his resigna-

By Lee Hockstader

MOSCOW - A few hours after his plane took off for Africa, Sergei Y. Glazyev, Russia's 32-year-old foreign trade minister, received an urgent summons from his government. Return to Moscow at once, said the mess

An aide to Mr. Glazyev said his boss had been recalled from a planned five-nation African tour in order "to be acquainted with certain information," the Postfactum news agency said.

A day later, Mr. Glazyev was any carly ballot. His resignation offer Saturday --

the second tendered by a member of President Boris N. Yeltsin's cabinct in as many days — came amid vague and conflicting allegations of graft inside the ministry and plots against it by powerful unnamed trading "malias. A day earlier, Mikhail A. Fedo-

tov, the minister for press and information, also offered to quit rather than preside over what he

Geneva's undoing is set in motion

when she visits several Arab coun-

tries toting an item she purchased

at Banana Republic: an Israeli

ness, it becomes difficult to know

when the anthor is making things

up. But mostly, in explaining

Hauck's amusingly jaunalized out-look, there is the way that television

writers are customarily treated.

Imagining the critical response to a

show that has been savaged by its overweening star, he writes: "Un-

fortunately, even the talents of Cheech Marin could not salvage

Anton Chekhov's trite and mean-

Janet Marlin is on the staff of The

crackdown on press freedom. While the precise can

ing the two ministers to quit are cloudy, the moves suggest disarray in Mr. Yeltsin's government in the run-up to what the president himself says will be a furious political light against hard-line enemies of reform in the next few months.

Mr. Yeltsin has promised to hold carry elections this fall to replace the anti-reform Russian partiament, his main antagonist. Leaders of parliament have vowed to block

Every day seems to bring some vague new allegation of dark conspiracy, some fresh warning of deepening chaos or some faint whill of impending menace. Before dawn on Sunday, the In-

formation Ministry said, three utomatic rifle shots were fired at there at the time, suggested that he especially oil and metals.

On Wednesday, he slashed the

Interfax. He did not elaborate on

His remarks echoed those he made in announcing his offer to resign Friday, when he said that the conservative parliament intended to exert control over television and print outlets by establishing special councils to oversee them. "I cannot be a gravedigger of press freedom," he declared.

But the matter say not be so simple. Mr. Fedotov himself had been attacked a few days before his resignation in a meeting of TV and print editors who complained about his performance in office. Mr. Yeltsin, who attended the session, listened in silence.

Mr. Giazyev said he had been hounded from office because he had tried to exert control over the Mr. Fedntov's office windows. The wild profiteering that marks the information minister, who was not export of Russian raw materials,

number of companies allowed ex-

"This warning may have come port licenses, arguing that the unfrom three circles that are extreme- checked outflow of Russian rely displeased with my position as a sources, sold cheaply in the West, minister, a politician and a person was costing the country a fortune.

one of Mr. Yeltsin's most promi-

BALTICS: Moscow Cancels Troop Withdrawal Plan Continued from Page 1 .

ing, Mr. Yeltsin supported Baltic independence and promised to

withdraw Russian troops. But nationalist pressure at home, in particular over the treatment of Russian-speaking minorities in the republics, complicated the process. Russia has yet to sign a troop-

better with Lithuania, which has the smallest Russian-speaking minority of the three and which has granted its Russian speakers full rights and citizenship. The cause of the breakdown in

talks, according to Russian offi-cials, was Lithuania's insistence of compensation for damage

caused by Soviet troops over the last 50 years. Russia rejected the The Moscow paper Izvestia re-ported earlier that Lithuania was

seeking \$140 billion. Mr. Degutis, the Lithuanian charge d'affaires, said that such a figure may have been discussed but Lithuania had made no specific de-

Delegations from the two countries met Saturday but made no As a result, Russian officials said they will no longer feel bound to pay compensation for damage caused by Russian troops even dur-

After more than a year of turning

By Nicholas D. Kristof

President Ziang Zemin warning that graft threatens the future of

"Corruption is the virus that has eroded the healthy body of the par-ty and the state," Mr. Ziang, who is also Communist Party leader, said in a keynote address at a six-day conference called to attack the

the party itself.

cadres and our people will never allow such consequences."

problem. If we lower our guard manded a payoff of a dollar or so; are supposed to be stopping.

صكدامن الأصل

pullout agreement with Estonia and Latvia, although many units have left. But relations have been mands and was only seeking to assure that Russia would agree to negotiate compensation in the fu-

that Russia pay billions of dollars ing the last 20 months.

progress, according to spokesmen.

Soviet empire, including Tajikistan and Georgia. Officials have yet to renounce the right to retain some bases in Estonia and Latvia. The Baltic republics have sought to enlist the help of Scandinavians and other countries in pressing Russia to withdraw. They have insisted that there should be no link-

age between the troop withdrawal, which they see as a question of sovereignty, and the treatment of Russian speakers in their nations. But Russians, angered that Rus-sian-speakers in Latvia and Estonians have not been granted citizenship on the same terms as ethnic Balts, refuse to disavow linkage on

China Vows a New Corruption Fight and let it run wild, our party will be these days, corruption means a se-

Her York Times Service ruined, the people's power will be nior official who rakes in commis-BELITING — The Communist lost and the great cause of socialist sions of hundreds of thousands of Party has announced a major modernization will be forced off dollars before approving business crackdown on corruption, with track."

But he added, "Our party, our

The attack on corruption reflects unease in the leadership at the growing public outrage at the level role. Military, customs and border of graft in the government. A few patrol officials, for instance, have

In addition, corruption has nurtured a web of organized crime often linked to gangs in Hong Kong and Chinatowns abroad — in which officials play a central

investigating three people for use of banned neo-Nazi symbols.

Hauck is able to illustrate such tenets with colorful examples. He explains, for instance, how best to actress then at least as a star." placate a top-billed actor when writing a television show. If the star neva has progressed to the point of plays someone named Lou, it's being "about six years away from foolhardy to name an episode "So-having her own hrand of perfume."

phie's Big Day Off when it can be She seems a plausible replacement called "Lou Gives Sophie a Day for the star of Jimmy and Neil's Off" instead. And it's safe to sit latest series, even though the show through a tantrum by an actor who was originally written for a black can order expensive wine. ("I real-man. Within the crazy realm of this ized that a gny who can say 'the '82 novel, that isn't much of a stretch; Chambolles des Musigny is proba-Hauck also mentions the producbly not going to hurt me.")

As for enduring a story conferides concerns an astronaut whose ence with a prima donna who half- Jewish mother has stowed away

screaming abuse at her pedicurist,

Hauck counsels remain

listens while simultaocously aboard the space shuttle.

ing calm.

Hauck counsess remaining caum, mise the problems inherent in work-swallowing one's pride and putting ing with Geneva. There is the mo-up with the indignity. As this wick-nent when she tries to justify an unflattering costume choice by ex-

Officials of the United Nations force in Zagreb said there had been heavy shelling near the bridge, but they had no other details.

The pontoon structure, which

mediately afterward.

His statement, made at a news was erected to replace the destroyed original bridge, was damaged in a Serbian shelling attack on

cent weeks, but Serbs on overlook-

Aug. 1.
The bridge had been opened under a UN-mediated accord signed by the Croatian government and rebel Serbs on July 17, which pro-vided for the Croatian Army and most likely would lead to an up-surge in lighting in Bosnia. Under the compromise package, Serbs would get about 52 percent, Musthe police to withdraw from the bridge area by the end of the

 A Ukrainian UN peacekeeper arrested on suspicion of black marketeering has been sent home and will be dishonorably discharged, a United Nations military spokes-

woman said Saturday.

The Ukrainian battalion in Sarajevo, accused by Bosnian authorities of engaging in black market dealings, has sent home a total of 13 men for offenses connected with war profiteering, Lieutenant Colonel Patricia Purves said.

• The United Nations has

bers but others such as writers and moved a step closer to setting up a tribunal to prosecute war criminals in the former Yugoslavia by nar-rowing a list of candidates to 23 more than half of private donations "I will not propose that they vote for such a proposal," Mr. Izetbegovic said, adding he wanted to convict said, adding he wanted to convict said. Forty-one jurists from 38 countinue the negotiating process. But tries had been nominated by gov-emments for consideration by the he said the assembly would assess the plan as "not acceptable, no Security Council, and in a closed halloting session Saturday the

hridge, linking western Croatia
with the Dalmanian Coast, was re-BRIDGE

I tween experts and average players lies in the field of preemp-tive bidding. Those who wish to he was uninhibited by the vulnerability because his team was trailing close the gap should read "Pre-empts From A to Z" by Ron An-dersen and Sabine Zenkel, availby 40 imps. The opening, daring or rash acable for \$17.50, including mailing, from A-Z Books Inc., 40 East A controversial area are either-or when Bergen's teammates, given an bids, such as a British two-diamond

opening showing a major-minor two-suitor with the suits unspeci-fied Somewhat safer are Bergen preempts, which show length in the suit two levels above the one bid.

cording to one's viewpoint, jock-eyed North-South into three notrump, which was quickly defeated by two tricks after a diamond lead. The profit turned out to be small unimpeded run in the replay, reached six clubs, a reasonable con-tract that was defeated by a dia-

But Bergen's profit would have been 14 imps if his teammates had An extreme example from the book is the one shown in the diagram, in managed to reach the unbeatable

of the method, opened the East hand with two diamonds to show spades. This was in the final of the Springold Teams a decade ago, and

mond lead and a spade shift for a

contract of six spades, a spot that

are other ways of having the last

ed by Jimmy Hoy, who dreams up

sitcoms together with his literary-minded partner, Neil Stein. (Their

noticeably less well-read secretary, Sharone, who is planning a trip to Florida, asks about Virginia

Woolf: "Did she just write about the Orlando area?" When Sharone

hears someone mention that Henry

Fielding wrote "Tom Jones," she adds, "and Tony Richardson di-

Jimmy and Neil have apparently had happy lives until they cross paths with Geneva Holloway, the

novel's dainty blond villain, whom

Jimmy first encounters when she is

appearing in beer commercials. "She talked about herself for 25

minutes and kept me interested,

he recounts, in a description of hav-

ing met her at a memorial service

for an actor's dog. "This spoke

highly of her potential, if not as an

Jummy and Neil quickly recog-

nize the problems inherent in work-

rected.")

"Artistic Differences" is narrat-

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4 19 4

BOOKS plaining that she is a survivor of rape "in a past life" and has thus been given broad hips "as a source of protection." ("Her rationalizaparatrooper's flight bag.

After spending time within this novel's skewed world of show busition of how a policeman's wife in Midland Heights, Ohio, came to own an \$1,800 asymmetrical Yohji Yamamoto double-breasted dress

> connintion Geneva throws when a waitress serves her chunky carrot sticks instead of thin ones. This novel's best aspect is its eye for the specifics of star excess. So when Hauck gets down to business, he provides a detailed and droll description of casting sessions in which Geneva skillfully vetos any leading man with talent. And he describes how she is able to prune away her co-star's funny lines in a later rehearsal with a string of innocent-sounding questions. (They all hegin with

was a special pleasure to hear."

Jimmy observes.) Then there is the

"Wouldn't it be better if . . .") The novel, which follows the trajec-

minates in an awful comeappance.

dering script." Describing the kind of story suggestions that come from network executives, he offers this example: "Does Othello have to be black, and does he have to kill her?" If "Artistic Differences" is to be believed, television writing is not for the faint of heart. tory of Geneva's rise to fame and her ridiculous abuse of power, cul-

WHAT THEY'RE BEADING • Manuel H. Johnson, former vice chairman of the Federal Re-serve Board, is browsing in the 12-volume 1857 edition of "The Collected Works of Edmund Burke."
"His attacks on the French Revolution and his thoughts on politi-

cal reform in Britain are instructive

in the way he argues against radical change. He teaches where the bal-

ance lies in accomplishing reform."
(Lawrence Malkin, IHT)





PRAYERS FOR MOTHER TERESA — Nuns at Mother Teresa's convent in New Delhi praying for the Nobel Fence Isoreste, 82, who is in a local hospital with materia. She is in stable condition after developing respiratory problems due to "underlying heart disease," doctors said.

In Japan, Close Combat Over a War Memorial

By James Sterngold New York Times Service

TOKYO — Half a century after World War II left more than 20 million people dead across Asia, Japan seemed to have turned a historical corner with its long-delayed admission that the brutal policies of the imperial government brought on the suffering, Accounts of atrocities that were long suppressed, admissions of responsibility and expressions of condolences finally broke through the decades of evasions.

"I myself believe it was a war of aggression, a war that was wrong," the new prime minister, Morihiro Hosokawa, said in a deceptively simple statement, the first of its kind. It was just part of an outpouring of remembrances of the horrors Japan inflicted on the region in a war that is still the subject of surprisingly ambiguous feelings here. Mr. Hosokawa was expected to revisit the issue on Monday when he delivers his first policy address to parliament.

The new attitude has gained such momen-tum that last week the new minister for health and welfare, Keigo Ouchi, suggested

sary of the war's end ought to be changed. He said that instead of merely showing the hardships the Japanese endured, the museum should show the suffering of the millions of other Asians, too.

That was when Sakae Suehiro felt he had

Mr. Suchiro. 66. is director of the Japan in the 1930s, he added, was a response War-Bereaved Families Association, which attacks by Chinese Communist guerrillas. represents the families and descendants of war casualties and has been a key participant in the planning for the new museum. The idea of the government's sullying the memories of the war dead as the new museum. ries of the war dead with apologies or suggestions of wrongdoing left him outraged.

Two weeks ago, for instance, the departing feat. The government had often depicted the government of Prime Minister Kiichi Japanese as victims of an evil war nobody Miyazawa finally admitted that the Japanese military had coerced women from one end of Asia to the other into providing sex for Japan's invading armies at government brothels known as "comfort stations."

Thui's Unique Trequent Flyer Brogramme.

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that the focus of a long-planned memorial en accepted the invitation of businessmen rauseum to commemorate the 50th anniver- who operated the 'comfort stations' because the Sankei Shimbun, a leading newspaper. they needed the money to help their families. I never heard before of forced recruitment or that the military was involved."

Mr. Suehiro insisted Japan had been provoked into attacking Pearl Harbor by an American economic embargo, not expanionism. The war Japan waged against China in the 1930s, he added, was a response to

a singular mission — to preserve a sense of Japanese pride and dignity despite the de-feat. The government had often depicted the

Some have gone further, characterizing the war as a blessing in disguise for the region.
"We cannot say that the Japanese justifi-cation for execution of the war, creating the Mr. Suchiro, who was in Korea during the Greater East Asia Co-Prosperity Sphere, had war, remarked: "I think many of these wom- the universal aim of liberating neighboring

"On the contrary, we ended up creating a

"But as a result, it brought their independence from colonial rule by the great West-ern powers," it continued. "We have to restrain ourselves from claiming it too loudly, but there is no question that that is an historical fact."

The \$120 million memorial museum, whose groundbreaking is expected in a few months, is shaping up as the battleground between these differing views.

All sides agree that the museum should discourage the nation from embarking on another war and that it should portray the "correct" history of the war. The problem is that what was correct several weeks ago may no longer be.

The version of events presented by Mr. Suehiro's and other groups was largely accepted in various documents prepared by the Health and Welfare Ministry, which is m

Japanese Exchange Student Dies of Wounds in California

SAN FRANCISCO — A Japanese exchange student shot in the head and left on a California street nut Creek. died in a hospital after his parents decided to turn off a life-support

system, a hospital spokeswoman aid. Francisco, early Friday. Despite several hours of surgery, Mr. Kurecovered consciousness after beiyama suffered severe hrain dam-

ing shot twice in the head by unknown assailants, said a nursing
supervisor at the hospital in Walsupervisor at the h

His parents, who flew from Ja- not blame Americans. pan after being told of the attack, He was found lying near a commuter railroad station in Concord, 30 miles (50 kilometers) east of San

Mr. Kuriyama's parents did not siana man shot and killed a 16-

It is the second time in a year

door of his bouse while looking for a Halloween costume party.

made the decision to switch off the that a Japanese exchange student life-support system soon after arriving at the hospital on Saturday, she said.

In the Louisiana case, the assailunted in the United States. In a highly publicized case in October 1992, a Louisiana case, the assailunted by a jury last May. The acquitted by a jury last May.

Taipei's Challenge: The China Question

By Kevin Murphy

100

. . . .

TAIPEI — Although bruised by formed by capitalism, circumscional power plays and occasional formed by capitalism, circumstanticuffs between delegated, than formal relations acknowledge. factional power plays and occasional fisticulis between delegates. Taiwan's raling Nationalist Party.

But solidarity reigned, analysts say, in part because the Knomin-tang never deeply discussed the country's single most complex and emotional issue, what to do about relations with mainland China. This meeting was about the Heing Kong after 1997 vital for sharing of power within the party. Taiwanese business interests.

to strengthen ethnic Tarwanese ment estimated to have surpassed control of the party.

"Any serious debate would have Mr. Chien and other officials demonstrated the real lack of unity guiding Tarwan's foreign policy in the party on this important as face difficult choices. China's con-

m the party on this important has a fact anticour thoras a low cost manu-cions among party members by facturing export powerhouse will mainland beritage that Militaria, cause partially at Taiwan's expense likewarm about reunification with if it cannot play a greater role in China a doctrine cherished by the China's use as an economic power. Knomintang since it arrived on

forms the core of any debate about Taiwan's economic, political and cultural destiny, will be the key to

"The future regarding China is a very serious problem." Mr. Lu said.
"Bur many people would rather not confront it." confront it. Taiwan's three national parties are struggling to formulate policies that will both appeal to voters and cope with the challenge posed by the massive political and economic changes involved in China's rapid

growth and the return of Hong Kong to Beijing's rule in 1997. In the years after the Communist victory in 1949, when the Knomin-tang was transforming itself from a ished army into Taiwan's roling clite, China policy was simple: Stay armed and save resources

or Knomintane, closed its week mated by Beijing to hit \$10 billion long National Congress on Sanday this year, and with many Taiwan more unified publicly than it had begun.

Wun two way manuact it also mated by Beijing to hit \$10 billion this year, and with many Taiwan manufacturers relocating to the begun. With two-way indirect trade estiineffective in the face of high prof-

> .Taiwan's current policy forbids direct mainland investments and trade or transportation links, which makes continued free access to

sharing of power within the party. Taiwanese business interests.
said Lu Ya-If, a Taiwan University
professor, describing moves by Lee
Teng-inii, the country's first native
born president and party charman,
largely clandestine flow of invest-

faster, but if we lose our national security there will be no protection for their investments."

INDIA: Shaping Up the Airlines

india and abroad for his real estate.

trying to strike back Indian Airlines has made notice able improvements in its food service and has started to hold lottery drawings for free tickets. Its slightly classier international sister, Airlindia, has gone further, adding four new wide-bodied Boetag planes to its fleet, serving cham-pagne, vodka and imported choco-lates, and dishing up first-class

Still, it is the government bu-reaucracy that is the toughest com-petition for the private artine com-

ishing reforms, but midlevel sucrats still make life difficult The government-owned artime is for the new carriers. Agencies responsible for issuing licenses for the import of planes and spare, parts have held up critical deliver-ies for weeks.

The private airlines haven't been without their problems, however. The maiden flight of Jet Air-ways, whose pilots are trained in Australia, landed at a military air base rather than at Bombay's civilish amport when the pilot becan confused. Authorities refused to al low the plane to resume the flight and threatened to arrest the pas

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But how can Taiwan, which is already nervous about snowballing involved in the profits without risking its economic independence?

We must not consider the Peo

ple's Republic of China to always be an adversary," said Mr. Chien. In certain areas there may com-

Voters have been deserting the long-governing Knomintang, which last week reconfirmed that i secks remification with the main land but which is moving too slowly for many of its supporters, par-ticularly the business community.

"We don't want to change over-night," said the Kuomintang spokesman, James C.Y. Chu. "Re-lations have made progress incre-

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A Better Deal for Bosnia

To break the expected deadlock about territory, international mediators have drawn up their own map of Bosnia and given the conflicting parties 10 days to consider it. The two winners in the war, the Serbs and Croats, lean to accepting the mediators' proposal - perhaps as much to get back in international good graces as to have most of their land grab

approved. The losing Muslims have gagged, still hoping against hope to gain at the bargaining table what they lost on the battlefield.

The Muslims deserve more support than they are getting. Already, to block a Serbian plan to physically divide their capital of Sarajevo, they have had to accept a formula to internationalize the city, whatever that means. internationalize the city, whatever that means. Now the Bosnian Croats are demanding all of mostly Muslim Mostar for their own capital; the mediators would internationalize it, too. Overall, Muslims are being pressed to endorse their being shoehorned into vulnerable ink blots of territory connected by even more vulnerable corridors. The basic principle that the United Nations repeatedly affirmed, no border changes by force, is being ground into dust in these negotiations. The abominable practice that the United Nations repeatedly condemned, "ethnic cleansing," is being vali-dated by international mediation.

All this is being done on grounds that there is no real alternative. The further excuse is that it is the quickest and kindest way out for everyone, not least the Muslims. In a generally bad outcome, conetheless, there is better and there is worse. The American government appears not to have got around to recommending to the mediators sendement proposals that improve on those submitted by the mediators. Washington also seems to be slipping away from earlier suggestions that it would keep the threat of NATO air strikes alive not just to case the pressure on Sarajevo, which remains under Serbian guns, but to help the Muslims at the bargaining table. Last week's would-be tiger is this week's familiar pussycat.

Serbia's leadership is now saying that the international embargo, which has punished Serbia severely, should be lifted as a Bosnia settlement plan takes effect. The Serbs, having flouted UN resolutions throughout, make this request citing a UN resolution. They want general diplomatic credit on grounds that they influence the Bosnian Serbs, but they want the embargo lifted on grounds that they cannot. There must be a discussion about the terms on which the Serbia embargo ought to be eased — a long and thorough discussion.

Cambodians vs. Terror

Reports from the front indicate that the military forces of the parties that contested each other in Cambodia's elections have gone on a determined first joint offensive against their common foe, the Khmer Rouge. The country is in ragged transition from a civil war in which this force of Communist guerrillas, having murdered a million people or more, had sought a place in the new scheme of things being shaped by the United Nations. Afraid surely for good reason — to compete in the May elections, the Khmer Rouge then had the effrontery to demand a share of power, or an informal slice; in back up these demands they resumed military operations. The parties themselves former rivals - that took part in the elections are now fighting back together.

The Khmer Rouge have a certain reputation, based first on their bloodiness in the 1970s, not only of barbarism but of invincibility. They exploit particular Cambodian resentments, against Vietnamese, for instance, Despite their isolation, they have caches of arms. For material purposes they also use the contacts with corrupt Thai military echelous that, dismayingly, are still tolerated by the authorities in Thailand.

Nonetheless, the military reach of the Khmer

Rouge has been curtailed by international pressures and their political reach by their own political errors, such as rejecting the UN path. The United Nations is packing up after 18 months on the job. The principal burden of containment necessarily falls on other Cambodian elements. No one else remains to keep the Khmer Rouge in their place and to prevent them from spoiling the new national possibilities that the record-sized UN peace-

eping mission in Cambodia has bestowed.

There lies the significance of the anti-Khmer Rouge military campaign. It brings together the formerly adversarial co-chairmen of the elected interim government, one Communist (bot oot Khmer Rouge) and the other royalist, and a third, Buddhist party. They are not what anyone would call a unified national army, but that is the role their country's revival is holding out to them. The departing United Nations had the sense to put these soldiers on the international payroll for the short time while international economic support is being organized. It is a further essential investment in the survival of a country whose termentors then are its tormentors now, except that now the country is oot alone.

— THE WASHINGTON POST.

Among the Millionaires

Has Bill Clinton, restlessly seeking a sum-mer White House he can call his own, found his Casa Atlantica in Martha's Vineyard? The fit is pretty good, if not perfect, Mr. Clinton likes policy, and Martha's Vineyard is loaded with policymakers. He likes celebrities, and Martha's Vineyard has them, too. He doesn't much like media folk, which the Vineyard is also full of, but then again nobody has ever found a picnic spot without bugs

Parts of Martha's Vineyard are basically Washington moved upstream. There are plenty of people there who do not consider themselves movers and shakers. But with Walter Cronkite and Kay Graham and Bob McNamara and Vernon ("I'm just another islander") Jordan as neighbors, no one is going to confuse the place with Lake of the Ozarks.

Fact is, the man from Li'l Abner's home state is headed smack into the belly of the beast be pledged to control: the Washington establishment. He is staying at a place owned by Robert McNamara, o primary architect and zealous prosecutor of a war that Mr. Clinton wanted no part of, in a compound of grand cottages where casual simplicity is not to be confused with poverty. And the host for Mr. Clinton's 47th birthday party was Mr. Jordan, chairman of Mr. Clinton's transition team.

The president's decision to relax in the company of mainstream millionaires is of interest. He can surely vacation wherever be wants, and nobody begrudges him n wellcarned week of repose, but presidents are never really off duty; everything they do sends a message. One need only recall George Bush, racing around in his golf cart and his speedboat at the very apex of the recession even though Roger Ailes and Bob Teeter were

telling him it was killing him in the polls.
Comes oow what could be a psychic message from Mr. Bush's successor, which is that
Mr. Clinton may be just as mystified as some of his constituents are as to who he is. Quite apart from the confused generational signals sent by his decision to bed down at Mr. McNamara's, his quest for summertime digs

has been a study in uncertainty. Right after the election, his Hollywood pals the Bloodworth-Thomasons leased a Santa Barbara spread. That didn't quite work, so this year the Clintons hightailed it to Benton County, Arkansas, headquarters of the Walmart empire and home to maybe 30 other millionaires. Then, after what seems a riwal visit, Populist Bill pulls up stakes and heads for the most clitist haunt this side of Vail, Colorado.

In deciding against his home state as a summer nest, Mr. Clinton is at one with Gerald Ford, who gave Grand Rapids, Michigan, a very wide berth in favor of Palm Springs, California. Most other recent presidents have returned in one way or another to a place to which they could stake a passably authentic historical claim: Franklin Roosevelt to Campobello, Messrs. Nixon and Reagan to California, Mr. Bush in Kennebunkport, Lyndon

Johnson to Texas, Jimmy Carter to Georgia. There is, of course, the town called Hope. But Hope is not really a summer place and it is also a tad remote from the things that keep Mr. Clinton humming. What we have here is a vagabond president whose only true home may be the town called Network. Hence the Vineyard, After all, the man said he wanted a cabinet that looked like America, not a vacation spot that did.

- THE NEW YORK TIMES.

Other Comment

The Lesser Risk for Russians

On Aug. 12, Boris Yeltsin called for an early parliamentary election in Russia this autumn. Parliament will not agree, its term expires in 1995, and an early election can be held only if President Yeltsin dismisses it and

rides reughshod over the constitution.

Mr. Yeltsin cannot argue, as Lenin did, that any step is justified to ensure a new regime's power. But be can argue a pragmatie case. Those who say Russia should tolerate two bumpy years uotil new elections can be held under the old constitution underestimate the damage that parliament, heavy with faces and attitudes from the past, could do meanwhile. Without a new constitution, Russia might well become ungovernable.

It is possible that Mr. Yeltsin could get parliament's consent to early elections were he to accept a new presidential election at the same time. If so, he should take the risk. But if parliament rejects such an offer, then he should go ahead with his plans, dismissing it and calling new elections. The risks of doing that are great; the risks of oot doing so would be greater still.

- The Economist (London).



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War Guilt: High Time to Admit the Truth

T OKYO — Fifty years later, World War II finally looks like it's becoming an issue in Japanese politics. The new prime minister, Morihiro Hosokawa, has courted nationalistic hostility

by stating that Japan was guilty of aggressive war.

Conservative and right-wing Japanese have long argued that Japan's war guilt, if any was much less than Nazi Germany's. They say that Japan was pressured into hostility by the Western powers, and that it oever undertook deliber-

ate Nazi-style genocide and barbarity.

But none of this excuses the savagery and scale of Japan's moves into China after 1931. More than 15 million Asians lost their lives as a result

Hosokawa's readiness to put an end to this indulgence and amnesia deserves every praise.

of Japan's attempt to create its Greater East Asia Co-Prosperity Sphere. Many of them were Chinese or overseas Chinese deliberately killed for political and/or racist reasons. Some faced forced labor and prison camp conditions as bad as anything the Nazis devised.

Conservatives and right-wingers like to gloss over these details. Because they can dispute Chinese estimates of the numbers killed in the notorious Rape of Nanking incident of 1938, they managed to convince themselves that maybe the

incident never really happened.

A 1985 book researching in irrefutable detail
Japan's wartime poison gas and germ warfare
experiments on thousands of Chinese and Russian prisoners in Manchuria was pooh-poohed simply because there were doubts about the authenticity of just one photo in the book.

Japan's official responsibility for mistreament

of Chinese laborers brought to Japan during the war was denied by the Foreign Ministry on the grounds that there were oo records, until someone recently discovered that the Foreign Ministry had deliberately destroyed the official records. (Fortunately one set survived.) In the same way, Japan tried until recently to deny official inBy Gregory Clark .

volvement in recruitment of foreign women to serve as prostitutes for its wartime armies, until someone discovered undeniable records.

Worse in some ways is the Japanese propensity to "victim complex" (higaisha ishiki). The right-wingers who have forgotten about Chinese slave laborers in Japan like to record and publicize in precise detail the wrongs and sufferings imposed on the 600,000 Japanese soldiers used as forced labor in Siberia after the war.

The annual death rate for those prisoners was only one-sixth that of the Chinese laborers in Japan, and the Chinese were civilians press-ganged from their own country, not soldiers captured in a foreign country. What is more, Moscow archives now disclose that Japanese officials had in fact invited Stalin in use the Japanese prisoners in the hope of gaining Soviet favor in postwar settlements. But none of this makes any impres-sion on the Japanese right wing as it indignantly seeks Soviet anologies and compensation.

U.S. atomie bombings in 1945 are used by many as proof that U.S. "war crimes" against Japan were as bad as if not worse than anything Japan committed. Many like to argue that Asia at least has to thank Japan for its freedom from Western colonialism. At the same time, some are even trying to argue that the Koreans should be

grateful for the progress they made when they were under Japanese colonialism.

Mr. Hosokawa's readiness to put an end to this indulgence and amnesia deserves every praise.

Some see him as weak and vacillating. I have known him for some time, and on the question of Japan's need in apologize to Asia for war guilt at least there is no doubt about his resolve.

His maternal grandfather was a pro-Asian prime minister, Prince Fumimaro Konoe, Some saw him as an architect of Japan's 1930s military expansion into Asia. But the record shows his dilemma at the time: to be effective he had no choice but to work with and try to temper the ambitions of the anti-Asian nation

Mr. Hosokawa could end up facing the same dilemma. His coalition government includes the

breaksway Shinseito faction from the formerly ruling Liberal Democratic Party. The faction is dominated by the ambitious, extremely right-wing politician Ichiro Ozawa.

Other right-wing LDP politicians in the Aug. 15.

Part of extremely are the second extensions of the Aug. 15.

war-end ceremonies at Yasukum Shrine - the focus of Japan's prewar militarism, still used as a symbol of nationalist sentiment and still bitterly resented by Beijing.

Meanwhile, Mr. Hosokawa was drawing

more nationalist criticism at another war-end ceremony, for daring to express sympathy to war victims in countries other than Japan. According to the nationalists, only Japan's wardead should have received sympathy.

These trends are worrying. To date, strong Chinese and South Korean criticism of the unre-

Chinese and South Korean criticism of the unrepentant nationalists has helped somewhat to
alow the slide to war-guilt denial. Efforts by the
progressive media and the semi-public National
Broadcasting Corporation (NHK) in releasing
documentary evidence of Japan's war atrocities
and guilt has also influenced public opinion.

But at the top levels of Japanese society, the
conservatives and right-wingers still hope to set
the agenda. The right-wing media have already
begun to criticize Mr. Hosokawa's war-guilt
statements. He could find himself in trouble if
he continues his crusade.

he continues his crusade.

For example, it is no secret that the Ozawa faction split from the LDP and joined the Hosokawa coalition not out of any reforming zeal but out of ambition to dominate Japan's weak opposition parties. Already the faction is flexing its political and financial muscle in a coalition void largely of both money and political talent. It could try to use the war-guilt issue to weaken Mr. Hosokawa and dominate the coalition. This in turn could lead to a further round of

litical shake-ups in which liberal elements in the LDP such as those around the present LDP leader, Yohei Kono, and former Prime minister Toshiki Kaifu join with progressives in the Hosokawa coalition. The Ozawa faction would then rejoin a firmly right-oriented LDP. That way the lines of ideological difference would at least be clear,

International Herald Tribune.

Japan's Asian Neighbors Require a Full Apology

KUALA LUMPUR — The new Japanese government appears tn be making some genuine at-tempts to acknowledge the past. Morihiro Hosokawa, the prime min-ister, is to clarify his position on Japan's war responsibility in his first policy speech to the Diet, this Monday. He went further than previous Japanese leaders by admitting recently that Japan waged an aggres-

sive and brutal war during its 1931-1945 campaign to conquer Asia, But Mr. Hosokawa, on behalf of the nation, must take bolder steps if Japan is to achieve full reconciliation with its Asian neighbors. He should make an unambiguous apology for Japan's war record and the

suffering it caused.

Members of his cabinet should not follow the practice of past Liberal Democratic Party ministers who made official visits to the Yasukuni Shrioe honoring the country's war dead. And a fund to aid Asian victims of Japanese aggres-sion should be established.

Such measures would help convince the rest of Asia that Japan is at last ready to atone for what happened after it annexed the Korean By Lee Poh Ping

Peninsula in 1910 and invaded Chioa and Southeast Asia between 1931 and 1945.

There remains considerable opposition in Japan, and even within Mr. Hosokawa's reformist coalition, to an open admission of wrongdoing. Conservatives in the coalition, echoing the sentiments of LDB leader in the part in th LDP leaders in the past, are up in arms over their leader's critical attitude to World War II, arguing that it dishonors the nation and will trigger a torrent of compensation claims, Keigo Ouchi, the health minister, said on Friday that he believed Japan was dragged into the war by international events.

Those Japanese who continue to resist an outright apology maintain that it is unwarranted because Japan behaved no differently from Western colonialists in Asia. Some even argue that Japan did nothing that could not be justified by the exigencies of war. Moreover, they say, Japanese military action liberated Asia from Western imperialism.

Asians, however, condemn both white superiority and Japan's attempt to assert its superiority by imposing a "co-prosperity sphe on the region. Japanese atrocities against Asians are well documented and undeniable.

It is true that by defeating the West in Asia, Japan demolished the myth of white invincibility. This gave courage to subjugated Asians to re-sist Western colonialism after the war, Japan also encouraged nationalist movements in Southeast Asia that subsequently played an important role in the anti-colonial struggle. Yet the Japanese were clearly

bent on colonial domination in Ko-rea and China. Where Japan gave some meaningful help to Asian countries, in Burma and Indonesia for example, it was not done with the intention of liberating them. Japan calculated that it would be unable to resist the return of Western forces without arming and training native Southeast Asians. Germany came to grips with its

Nazi past long Line West as a whole, has closed the chapter of the past policy of the West based on colonialism and is endeavoring to

treat Asians as equals. This process of adjustment is incomplete, but Asian countries have learned to accept a postcolonial Western pres-ence. They have used the investment, technology and skills that have come with it for their own benefit,

Japan withdrew from Asia involuntarily with no real acknowledg-ment of wrongdoing. The victorious Western allies forced Japan to pay

In recent years, Japan's economic relations with Asia have flourished; the region needed Japanese capital and know-how. The pragmatic na-ture of these ties meant that they could be developed without unduly arousing Asian fears of domination

However, Japan now aspires to a more extensive political and securi-ty role in Asia. To be acceptable in the region, Tokyo must demonstrate in a convincing way that it will never repeat the past. A full apology is the necessary first step.

The writer teaches international relations at the University of Malaya this comment to the International Herald Tribune.

A Monster Quietly Set Free

By Daniel J. Goldhagen

AMBRIDGE, Massachuscus — With attention focused on the fate of John Demjanjuk in the Israeli Supreme Court, a more significant case has gone virtually unnoticed: the freeing of the master sadist of Treblinka. In July, German authorities acknowledged that in May Kurt Franz

had been quietly released from prison. He was the deputy commander and then commander of Treblinka. where the Germans killed about 900,000 Jews and where "Ivan the Terrible" plied his trade. In 1965, a German court sentenced

Kurt Franz to life imprisonment for complicity in the murder of at least 300,000 people, the overwhelming majority of whom were Jews, and for personally killing 139.

In 1993, another German court has

thought it wise to free him.

Whatever uncertainty exists over
John Demjanjuk's guilt, whether be
was Ivan the Terrible or a "mere" guard at the death camp Sobibor, about Kurt Franz there is no doubt. He more than anyone else was re-sponsible for the hellish treatment of the Jews who lived in Treblinka and

who died in its gas chambers.

The 1965 verdict stated: "A large part of the streams of blood and tears that flowed in Treblinka can be at-

tributed to him alone." Kurt Franz used to pummel Jews to death at a whim, even reviving them with water during the beatings so that their suffering and his uncon-cealed pleasure could be extended. His very presence inspired terror among the prisoners. Once he took target

the prisoners. Once he took target practice by shooting them between the legs as they sat on the latrine.

He had even trained his pet dog. Barry, to man them, and he would often set the dog upon his victims with the command: "Man, go get that dog!" referring to Barry as the "man" and to the large as the "dog."

and to the Jew as the "dog."

A Saint Bernard, Barry was oot by nature vicious. When Kurt Franz was oot around, Barry permitted prisooers to play with him. It was his master who transformed the dog into a ferocious beast.

Kurt Franz remained unrepentant after the war. When he was arrested in 1959, the authorities found in his apartment an album that contained photographs from Treblinka — of him and his comrades, of Barry and of the animals in the small zoo set ura for the enjoyment of Treblinka perie sonnel. His album bore the caption.

The Best Years of My Life." Kurt Franz was one of the wor.⁷⁸
murderers Nazism produced. Yet 1 is now a free man.

He was released under Article 57 of the criminal code, which allows for a life prisocer to be freed after le-years unless "the particular gravit, of the guilt of the convicted prisone mandates the further execution" or the sentence.

Invoking this provision, the state prosecutor objected to his release. Astonishingly, two courts, citing his deteriorating health, did not deem his

guilt to be grave enough to warrant his serving the full sentence. Although 34 years may sound like long time in be in prison, Kurt Franz, now 79, spent approximately one hour in jail for each of the 300,000 people he helped kill. Yet for today's guardians of justice, that was

punishment enough.

How do the judges view the seriousness of Kurt Franz's crimes? What do the government and the press think of the courts' decisions? Their virtual silence is striking. Is one hour of prison time what the new Germany considers a Jew's life to have been worth?

Imagine that Kurt Franz had par-ticipated in the killing oot of 300,000 mostly Polish Jews but of 300,000 Germans. Would these same courts have evaluated the "particular gravity of the guilt" similarly and would virtual silence have greeted his freedom?

If Heinrich Himmler, the head of the SS, were alive and in prison, would he, too, be released? The enormity of Kurt Franz's crimes was every bit as great as that of his.

It is hard to believe that a civilized

society would deem Kurt Franz, one of the greatest mass murderers in history, fit to live freely in it. There are no conditions under which this man should be released from prison. The German courts, the silent government and the press have

shamed themselves.

Kurt Franz might as well be given back his photo album.

The writer, assistant professor of government and social studies at Harvard University, is completing a book on the Holocaust. He contributed this ment to The New York Times.

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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: On Orthography

care. But even a government-run sys

tem would require harsh choices.

What Mr. Baumol is saying is that, like live performances of Mozart quar-

tets, the supply of health care will have to fall — unless we decide it's worth 35

The writer, former editor of the At-lantic Monthly, contributed this com-ment to The Washington Post.

cents of every dollar we carn:

PARIS - For some time past there has been a large party in the Academie Française in favor of a reform of French orthography. The Dictionary Committee has been charged to re-port on the question. Their report, which has been made by M. Greard, transgressing the laws which govern the science of philology.

PARIS - The German front continues to yield at vital points under the constant heavy pressure of the Allied forces. Ludendorff, outgeneralled by what depleted "peace offensive" armies overwhelmed in several sectors. is still making tremendous sacrifices in human material to cover, or delay by rearguard actions, the retirements that have been forced upon him. Yesterday [Aug. 22] again these rear-guard actions proved futile. The French and British armies continued their magnificent progress, winning another long list of positions.

1943: Russian Front LONDON - [From our New York

edition:] A Russian column striking north of Kharkov gained three and one half miles yesterday [Aug. 22] and captured thirty villages, Mos-cow announced in a broadcast communication today. The Red Army was last reported within ten miles of { the city on that side. The communique announced new advances on the Bryansk, Spas Demensk and Doneta Basin fronts. German losses for the day were set at 9,500 men killed and 138 tanks and 32 planes destroyed.

Your Health Gets Harder To Pay For

By James K. Glassman WASHINGTON — Daniel Patrick Moynihan, that rare mem-

ber of Congress who is oot embar-rassed to be called an intellectual, has a new passion. It is called Baumol's disease, and it could be devastating to President Bill Clinton's health plan.

Baumol's disease is an economic theory named for its discoverer, William J. Baumol of New York Univer-sity. It holds that, while productivity has increased dramatically in most parts of the American economy, it has anguished in professions such as the arts, teaching and health care, "which require a high level of personal input."

As a result, the costs of these activities just keep going up and up. Mr. Baumol believes that within less than two generations health care and education alone will consume more than

60 percent of America's GDP. et Senator Moynihan finds hope in Baumol's disease. And since he chairs the Senate Finance Committee, the rest of the country would do

well in pay attention.

Explaining the not Explaining the notion in simple English in a paper published on July 29, Mr. Moynihan writes: "Start with Mozart. In 1793 tn produce a Mozart quartet required four persons, four stringed instruments, and, say, 35 utes. To produce a Mozart quartet today requires — four persons, four stringed instruments, 35 minutes."

Some endeavors just take time and people; there is no way around it. And for that reason they are not likely to yield productivity gains. But in most other industries, thanks to better education and better machines, people can produce things in a far shorter time and with far fewer workers than 200 years ago. Even in the much maligned U.S. auto industry, 66 workers in 1990 could produce as

many cars as 100 did in 1975. But according to Mr. Baumol, in certain "handicraft" activities, where you cannot replace one-on-one contact and cannot speed up the process, productivity is stuck. Not because musicians are laggards, but because they can't do it any faster, even with an electric violin.

Mr. Baumoi calls this phenomenon "the cost disease of the personal ser-vices." lo a paper he delivered in May at the annual meeting of the American Philosophical Society, be argued that "cost disease" is something that certain activities he called "The Stagoant Services" cannot avoid. Inher-



ently, they cannot increase their produetivity, so their costs rise io comparison with goods and services that can become more productive.

What are the stagmant services? Mr. Baumol's list includes health care. education, legal services, welfare programs for the poor, postal services, police protection, sanitation, repair services, the performing arts. "Notice anything?" wrote Senator Moynihan in his July paper. "Educa-

tion, welfare, police, sanitation. All these are public sector activities, or mostly so ... Let me offer, then, a subtext to Banmol. Activities with cost disease migrate to the public sector. They must have public subsidy or they will disappear. Hence, in part, our quarter-century turmoil over the cost of government and, now, the size of the deficit."

Conservatives such as Milton Friedman have long argued that America has two economies: the private sector, highly productive, and the public sector, highly unproduc-tive. It is undeniable that we Americans spend more on police protection but still get more crime; we spend more on public education but still turn out poorly educated graduates. Mr. Friedman contends that it is the nature of politics and bureaucracy that makes government unproduc-tive, while Moynihan-Baumol would

say that the chores government gets stuck with are inherently unproductive - no matter who does them.. Government takes over by default and does the best it can. In the private sector, when it be-

comes costly to provide a service, the

supply of that service shrinks drasti-

cally or disappears (thus, vanishing table service at restaurants; thus, vanishing doormen). But some services, such as police and education, are too important to shrink or disappear. This brings us to health care, which has been migrating in the public sec-tor for some time and is about to

make the final leap. The problem is essentially cost. The 1990 census found that 13.6 percent of Americans were not covered by private or government health insurance. We can assume that if health insurance were priced low enough, almost all of the uncovered would be covered. But health care prices have soared, quadrupting from 1975 to 1991. In 1990, Americans spent 12 percent of

GDP on health care. Mr. Baumol pro-

jects that by the year 2040 we will be spending 35 percent. I am not totally convinced by Mr. Baumol. Mozart quartets have become more productive: They can be beamed by satellite to hundreds of millions of viewers, rather than just to a drawing room. Schools and the Postal Service could become more productive if workers and administrators were more exposed to market competition. Even in health care, it is possible to make productivity gains. Output per worker in the pharmaceutical industry rose an average of 1.9 percent annually be-

tween 1975 and 1990. Still, Mr. Banmol's basic argumen seems sound. And if the handicraft nature of health care makes soaring costs inevitable, then Americans have two choices: Either pay the bill or limit the care. The current system may limit care too brutally, since market forces sometimes determine who gets what

is in favor of a reform of the existing orthography. It is a careful and learned survey of all the anomalies for which there appears to be no logical reason, and for which so irresponsible an agent as popular custom is alone to blame. The report concludes that many of these anomalies could be removed without in any way

1918: Allied Advances

Marshal Foch, and with his some-

International Herald Tribune, Monday, August 23, 1993

CAPITAL MARKETS

Germany Loses the Role Of Low-Yield Benchmark

ONDON - German government bond yields, for years the lowest in Europe, used to set the floor for European bonds generally. But nothing lasts forever. Yields in several European bond markets either have dropped be-low German levels or are heading in that direction.

The reason: Investors are coming round to the view that, while

inflation seems to have been tamed elsewhere in Europe, Germany is still wrestling with it and will have to keep short-term interest

rates high to win the battle. In the interest-rate futures Its market is no market, prices currently indicate that short-term rates in many longer viewed as countries are expected to go be-low those in Germany. The fu-tures contract for three-month French interest rates is antici-

pating 5.67 percent rates in December, compared with 5.99 percent on Euromarks. Three-month sterling rates are 5.42 percent.

Despite the Bundesbank's stance as the archenemy of inflation. Germany's neighbors have been doing a better job of squeezing it out for some time. Still, investors have been wary about relying on governments to keep it squeezed.

Inflation in the Netherlands has been all but stamped out, but it still took the Dutch until the beginning of this year to get the yield on their 10-year bonds below German levels.

"There's definitely an inertia factor," said Alison Cottrell, an analyst at Midland Global Markets. "It took years for people to believe Dutch inflation would stay low. Dutch inflation has been stable, at below 5 percent, in at least the

past six years, and has been below 2.5 percent for all of 1993. By comparison, Germany's inflation rate has been stuck above 4 percent all year.

Yields in other markets have also dropped faster than in Germany. At the beginning of the year, investors were demanding a 100-basis-point yield premium for holding French rather then German government debt. At the beginning of this month, French yields briefly fell below German levels for the first time. Now, 10-year yields in both markets are at about 6.34 percent.

Even British government bonds, which were expected to be under pressure from Britain's £50 billion borrowing requirement this year, have closed the gap with Germany.

The message investors are sending through these shifts in yields is

clear: They no longer see Germany as the most inflation-proof market in Europe and are beginning to feel more comfortable lending their money elsewhere.

The amount of new government bonds likely to hit European markets also leaves Germany in the slow lane as far as declining yields are concerned. New German deht is expected to total about \$171 billion this year, twice as much as France's and more than double Britain's.

Their comfort level is likely to grow, with bond yields in Germany declining more slowly than in other markets.

How investors should try to ride that shift is unclear, however, because the Deutsche mark is likely to remain strong while Germany's neighbors slash interest rates.

> International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries,

compiled by Bloomberg Business News.

Taiwan Market Beckons Foreigners

By Kevin Murphy

si Henski Trib TAIPEI - Taiwan is moving to ease foreign investors' access to its stock market through a series of regulatory changes that will eulminate in a doubling of the marketshare total open to outside funds.

But not everyone is happy with the central bank's decision because the new \$5 billion ceiling for total foreign investment, expected to be announced this week, would equal only 4 percent of Taiwan's market capitalization. The ceiling is less than half the target urged by the country's Securities and Exchange

And the regulatory changes — which also include doubling the maximum amount of stock individual foreign investors may hold, to \$100 million - may not go far enough to

market, according to local analysts.

Lin Yung-guei, manager of S.G. Warburg Securities in Taipei, said the central bank was "taking the view that it will see how the situa-

tion goes before it increases it any further."

The differences typify a struggle between a young generation of regulators seeking to internationalize Taiwan's markets and pow-erful bureaucrats at the central bank giving monetary independence a higher priority than opening the country to foreign capital.

"More and more people are voicing support for a further relaxation of capital flows,"

said Chen Chung-hsing, general counsel of the SEC, a leading proponent of capital mar-ket reform. "This consensus will help the central bank agree this is the way to go." Taiwan's application to join the General

Agreement on Tariffs and Trade and the

significant economic changes that have occurred since the country first allowed foreign investment in the stock market have helped those who support greater liberalization of a capital market that features the world's largest cache of foreign currency reserves.

When it opened to international investment in January 1991, regulators imposed strict limits on foreign ownership and introduced a lengthy approval process for poten-

Although the SEC's recent reforms will cut some of the paperwork, the rules remain a practical disincentive to investors who weigh Taiwan's relative value to other regional markets against its lengthy approval process and restrictions on capital movement "The moves are a plus, but it's not a quan-

See TAIWAN, Page 11

questioned. Even his senior mone-

tary economist, Donald Kohn, said

it was "no panacea" because "in-

terest rates don't tie down prices."

Making monetary policy, be said, is not just a matter of following mon-

ey measures but of forecasting

ment, which in the Depression and

in the severe inflation of the 1970s

This was too much for Alan

Meltzer of Carnegie-Mellon Uni-

versity, a longtime monetarist, who demanded that central bankers lay down rules and stick to them. But

Stanley Fischer of the Massachu-

setts Institute of Technology

summed up the majority view by replying: "Ordinary people just want the economy to run well, like

someone on an airplane. He just

wants to get where he's going and

doesn't care how much the pilot

Mr. Greenspan, listening intent-ly, replied that following the elabo-

rate sets of rules advanced by some

monetarists would really mean set-

ting policy by the seat-of-the-pants discretion of the authorities, who

jiggles the stick."

resulted in "too little, too late."

where the economy is going.

Trade Minister **Exhorts Japan To Cut Surplus**

TOKYO - The new trade minister warned Japan on Sunday that it Japan took action to reduce its surmust slash its huge trade surplus or plus the yea could rise again. risk destroying the world economy. "If Japan's trade surplus continues, it will be one factor leading to the destruction of the world economy," Hiroshi Kumagai, minister for international trade and indus-

try, said on television. The Japanese trade surplus increased in July for the 31st straight

On a customs-cleared basis, it jumped to \$11.82 billion from down to \$9.23 billion in July last year, the Fin nee Ministry said. The surplus with the United States climbed to 104.20. \$4.68 billion, from \$3.81 billion a

This big imbalance was a key factor in the recent surge of the yen against the dollar, according to

market analysts. "I think that the currency market is sending a warning that if Japan continues with the same behavior, it will be in trouble," Mr. Kumagai

Economie Planning Minister Japan loans to commerical banks.

Manae Kubota, also taking part in the debate, indicated that unless

The yen has not broken through 100 year to the dollar and it's a good thing that it has stabilized," Mr. Kubota said. "But unless Japan changes its behavior, the yen will rise again."

The yen hit a record high of 100.40 yea to the dollar in Tokyo trading last Tuesday until intervention by the U.S. Federal Reserve Board helped push the carrency down to 106 year by the close of trading in New York on Thursday. It ended the week in New York at

Mr. Kumagai affirmed that the new coalition government under Prime Minister Morihiro Hosokawa planned to draft a package of fiscal and monetary measures by late September aimed at boosting domestic demand and reducing the

buge trade surplus.

He said one of the monetary steps could be a reduction in the discount rate, charged on Bank of

U.S. Launching Drive

To Promote Exports

By Peter Behr

neton Post Service WASHINGTON — The United States is preparing an aggressive campaign to promote American exports, modeled on President Bill Clinton's high-level salesmanship in striking 6 56 hillion jetliner deal

this week with Saudi Arabia, officials said. The program, to be announced next month, will center on a new advocacy office that would help U.S. companies seize export opportunities and compete against foreign companies that have backing from their companies that have backing from

their own governments, they said, The government also is preparing a sweeping revision of national security controls on exports of computers, telecommunications equipment and other high-technology products. Although final decisions have not been made, the administration is sympathetic to complaints from U.S. manufacturers that they are losing billions of dollars annually in potential sales because of restrictions that no

See PUSH, Page 9

longer make sense in a post-Cold War era.

Mr. Clinton's telephone call to King Fahd of Saudi Arabia last

See FED, Page 9

Central Banks Turn to Their Windows

By Lawrence Malkin International Herald Tribune
JACKSON HOLE, Wyoming

Faced with slow growth throughout the industrialized world, central banks are discovering that the supposedly iron laws of money that served them in the long fight against iaflation no longer work so well. Old-fashioned judgment in steering economies toward clear inflation and growth targets is replacing the monetarist fashion of the 1980s.

As two European monetary crises in as many years have demonstrated, the vast pools of money sloshing around the world's financial markets can quickly over-whelm monetary authorities. In the United States, the breakneck pace of financial innovation is making the old measures of money supply moot; the same is happening more slowly in Europe and Japan as they

That was the consensus here this weekend at the Federal Reserve's annual seminar and retreat, which often helps set the financial world's intellectual agenda for the year. Participants included Alan Greenspan, the Fed chairman, and senior members of his staff; representatives of central banks of Europe, Japan and Latin America; academ-

ics, and Wall Street economists. The background for the debate was the rise of money-market funds and mutual funds as savings vehicles outside the banks, whose more deposits and reserves traditionally

London Notebook

Real Estate Firms

companies have nearly doubled in value, "We've been very bullish on the sector," said Alan Carter, an analyst at James Capel. In fact, he insisted that the shares could still rank as "unbelievably cheap."

The same clearly cannot be said for those wishing merely to buy shares in developers and not the actual girders and glass.

"Nine months ago, when the sector was really bombed out, it was

difficult to persuade anyone to buy," said Naresh Gudka, a property share analyst with Paribas Capital Markets. Now, in the wake of a

surge in share prices, he said it was hard to persuade anyone to sell and take their profits. "Everyone is afraid they will miss out on the rally."

But with shares in such companies as Land Securities changin hands at prices nearly 20 percent above the value of the buildings it owns, many observers insisted the rally had already gone too far.

In spite of the predictably poor summer weather, guidebook-clutching, lost-looking tourists from all over the world are flooding the streets of London. According to the London Tourist Board, there are more of them than any year since 1990.

Not content merely to count its bounty, the Tourist Board this

year decided to test ii. The results were sobering.

Some tourist though Knightsbridge carried traffic from one side of the Thames to the other. Even far fewer of them knew that

London's tallest building is neither "A. Nelson's Column" nor "C. The Lloyd's Building," but in fact is "B. Canary Wharf Tower."

Overall, the Australians achieved the highest number of perfect

scores, getting all 11 questions right. They were followed by Ger-

In what may be the costliest sell recommendation ever made by 6 finance house, Morgan Stanley in London last week issued an exhaustive 24-page report on Ukraine and backed it up with a free

Morgan: Clouds Over Ukraine

Fellowship Lawson-Prace Measured Drawings Award.

president, hinting at the oddity of it all.

Why value the prize in a long defunct currency unit? "Because we are the Folly Fellowship," said Gwyn Headly, the organization's

By holding the competition, the fellowship hopes to build up an

archive of meticulously detailed drawings such that if some of Britain's vast stock of whimsical, built-for-pleasure-not-purpose architectural follies should fall to ruin they could be recreated.

Largely built in the folly heyday of 1720 to 1830, many of them they range from miniature Greek temples to richly ornamented bridges that strictly speaking go from nowhere to nowhere.

ings, are keeping their checkbooks locked in their drawers.

Australian Tourists Shine

mans, Americans and Canadians.

Maybe not. True, central London office buildings are no longer shedding one-third of their value per year. But the current slower decline is scarcely the stuff of an investor's dreams. "It has now settled down to a confortable minus 20 percent pace," said Tony Key, research director at Investment Property Databank.
Mr. Key said that his clients, large institutional buyers of build-

Land Investors

provide the fulcrum for any central said, the Fed's main monetary agbank's leverage on the economy.

Corporate borrowers now raise billions in the commercial-paper market and through financial com-panies outside official supervision. such as GE Capital Corp. Domestic monetary policy can no longer be isolated when an estimated one of every seven stock trades worldwide takes place between people of different countries; cross-border stock boldings were recently esti-mated by the International Mone-

tary Fund at \$2.5 trillion.

gregate, M-2, has thrown off so many false signals that when it shifts, the central bank now is not sure whether to buy or sell bonds to loosen or tighten the economy. No Fed official contradicted him, nor did any central banker challenge his recommendation that instead of Mr. Kohn suggested a wider range of statistical variables, even though, he said, that risked relying too much on central bankers' judgbeing based on statistical rules, economie judgments "need to be made by real people, including some of those sitting in this room."

Mr. Greenspan recently told Congress that the Fed would try to With all this upheaval, Professor target interest rates adjusted for Benjamin Friedman of Harvard inflation instead of money supply,

Fed Lets Rate Policy Stand

WASHINGTON — At a meeting early last month, the Federal Reserve System's policymakers left unchanged the policy they adopted in May that leaned toward raising rather than lowering interest rates, according to minutes of the meeting released Friday.

However, the members of the central bank's policymaking group, the Federal Open Market Committee, made it plain they did not expect any change in rates soon, as inflation was lower than it was earlier in the year and economic growth seemed likely to remain moderate, The minutes disclosed no sharp differences of opinion like those expressed at the May meeting, when the committee decided for the first time since mid-1989 to give the Fed chairman, Alan Greenspan, more

leeway to raise rates than to lower them. At last month's session, the only dissent came from Fed board member Wayne Angell, who wanted an immediate increase in the Fed's 3 percent target for the federal funds rate, the interest rate banks charge each other for overnight loans. Mr. Angell has dissented at the last several meetings, according to the minutes, arguing that the central bank was pumping too much money into the nation's banking system to be consistent with keeping inflation in check.

could pick and choose among them. He would only permit him-self to wonder out loud: "Where is the dividing line between rules and

Japan's soaring yen

Waiting for peace in Bosnia

Leftist terrorism in Germany

Attacks on Israelis in Lebanon

Transformation in Russia

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New International Bond Issues Compiled by James E. Connell Mat. Coup. Price and week Floating Rate Notes Below 3-month Libor, Noncollable, Fees 0,125%, (Lehmon Brothers Inff, Boor, Stores.) \$1,000 1997 % 100 Finnish Export Credit \$200 1997 libor 99-80 Coupon pays 3-month Libor, Calibble of par in 1995. Fees 0.17%. Denominations \$10,000. (Prentil Lynch Int L) Over 6-meeth Libor, Noncollable, Fees 0.20%, De \$100,000; (Sakara France.) \$50 1997 0.325 100 Lavoro Bank \$150 1998 0.50 99.36 Over 3-worst Libor. Noncollable. Fees 0.25%. Denominati \$10,000, (Morgan Startey Int L) STARS IV \$120 1996 - 0.50 100 Over Saxonth Liber. Maximum coupon 12%. Fees not dis-closed. Full scene of insur at Structured Toron Adjustable Securities IV. (Kidder, Paoloody tot*) 4 De la 1925 Y 5.000 1994 0.10 100 Moruberi Over 3-mosth Liber. Noncollable. Fees not disclosed. Di nations 100 million year. (Someo Int'l.) Fixed-Coupons -\$ 60 1998 11 1100 :-Semiconucily, Fees not disclosed. (VestcorPortners.) \$50 1996 8% 99%-Seniorswolly, Moncolidbie, Fees 194%, Prodential-Bactie Se Noncoliable, Fass 116%, Denominations \$10,000. (Cabonk lat 1) \$120 2000 18 Crédit Suisse \$200 2003 6% 107.165 --Reoffered at 99.49. Noucollable. Feet 2%, |Credit Suisse First \$250 2008 616 99.817 Noncollable, Fees 0.48, (Morgan Stanley Int'l.) Coopen pays 11.5% less 6-month Italian line Libor from March 1994. Noncollable. Fees 0.2875%. [Margan Starley Int'l.] \$108 1996 4 Noncolicide. Fees 1.30%. Denominations \$10,000. Borrower may choose to repay either 10,000 morks, or 6,000 dollars. Repayment will be in morks if the spot rate moves above 1.85 morks per dollar, for two consecutive days, [Frinkess & Barkhandt.] Council of Europe DM 150 1995 7 10070 LB Schleswig Hastein DM 150 2003 692 309.775 Recliered of 99%. Collable of par from 1995. Fees 209%. (Margan Stanley Frankfurt.) Subscrimeted notes criticale at par in 2003, and every five years thereother. If the first call is not excercised, interest will Sobotomers. If the first cell is not exercise, was be reset of 2,40% over five-year pile. Fees not discharer's full name is Criscle d'Equipment des Pelle Moyennes Entreprises. Home Govern. £225 2000 6% 99.00 ecolloble. Fees 0.31%. (Borcloys de Zoete Wedd, Solomon Reciliered of 99:57. Noncolloble. Fees 1956. Dec £10,000. (Credit Scient First Boston.) Woolwich Building £200 1998 7 101.095 Society Crédit Lyonnais FF 1,500 2004 6% 97.61 SNCF 2013 614 .96.83 Noncollable, Fees 0.50%. (Sociale Generale.) DPL 500 2000 614: 10016 ... Reoffered of 99.70. Noncollable, Fees 1%, (ABN Amro.) DFL 500 2008 - 634 100:35 : -Reoffered at 99.65. Noncollable, Fees 1%, (ABN Amra.) -DPL 400 2008 7 101-40 --Internationale Reoffered at 100.75. Nancollable, Fee: 1%, 6NG Bank.) Nederlanden Bank nt. 200 - 2003 9 100.25 ---Noncolloide, Fees 2%, (Bancz Commerciale Italiana.) m. 200,000 2003 914 101,675 Reoffered or por. Collable of por from 1995. Fees 2%. (Bono di Roma, Morgan Stanley Inf 1) Compagnie Bancoire : BCU 200 - 1999 - 694 - 101.15 ** Reoffered of 99.60. Noncellable, Fees 176%. (Parities Copile) Mariats.)

U.S. Growth Hit by Slump In Building

By Jeanne Pinder

New York Times Service **NEW YORK** — Construction of office buildings, normally an important engine of American economic recoveries and a big creator of jobs, is continuing to slump and acting as a drag on the already slow recovery, economists said.

In every other business cycle over the last 20 years, construction, especially commercial development, has helped lead the economy into recovery. But this time, the overbuilding of the 1980s and the subsequent crash in property valnes have slammed the commercial real estate industry into its worst depression since the 1930s. And analysts generally see no immediate change in sight.

While the recession has hurt all American construction, the hardest-hit part has been office space, where the worst of the overbuilding took place in the 1980s.

At the height of the boom in 1985, office construction was running about \$37 billion a year in constant 1987 dollars, according to the Census Bureau. By the second quarter of this year, that had fallen an annual rate of \$13.1 billion, the lowest level since 1979.

Construction done under contract normally contributes about 10 percent of the new jobs in the first year of a recovery, said David A. Wyss, research director at DRI/Mc-Graw Hill, an economic consulting firm. But in the first year of this recovery, he said, contract construction jobs fell 2 percent.

Prospects remain grim for many reasons: the shakiness of the overall economic recovery, the huge backing of overbuilding, the global economic slowdown, the trend to ward cutting corporate payrolls the decline in military-related industries since the Cold War ended and changes in technology and de-mographics that are altering the American work force.

The office-building market is not likely to see significant construction until 1997 at the earliest, said David G. Shulman, a managing director of Salomon Brothers Inc., who predicted the real estate collapse.

Still, there are those who benefit from what others call a crisis. Businesses can find better office space at lower rents, and that could help the economy in the longer run. Housing is more affordable, espe-cially with lower interest rates.

But by and large, the industry resembles a wasteland, with the few bright spots provided by bottomfishers picking up bargains from

Corporations Gear Up to Sell Bonds

Moody's Downgrades Apple

NEW YORK - Apple Computer Inc.'s credit ratings were lowered by

Moody's Investors Service Inc., which cited the company's third-quarter loss of \$188.3 million, announced last month, and what the rating service

Moody's announced the cuts late Friday, a day after Standard & Poor's Corp. had taken similar action on Apple's debt ratings. Earlier on Friday, Moody's dowgraded \$28 billion of debt and preferred stock of Interna-

tional Business Machines Corp., saying IBM faced business, operating and financial risk. IBM and Apple are jointly developing several products.

An Apple spokeswoman said although the company was "obviously

disappointed." the move would not change Apple's operating plans, though it would increase borrowing costs "a little." She said Apple had more than \$1 billion in cash — "far more than we have debt."

Moody's downgraded Apple's short-term debt to Prime-2 from Prime-1 and its \$500 million senior shelf registration to Baa1 from A2. The loss of the Prime-1 rating will make it hard to sell commercial paper. In money.

of the Prime-1 rating will make it hard to sell commercial paper to money-market mutual funds, key short-term investors. (Bloomberg, Reuters)

Compiled by Our Staff From Dispatches NEW YORK - With U.S. bond yields trading at historic lows, corporate borrowers are expected to jump into the market this week to take advantage of rates that seem to be near their bottoms.

Corporate issuance this week is expected to rise from the \$7.43 billion of bonds sold last week. About

U.S. CREDIT MARKETS

\$810 million of runk bonds are on tap as part of that, according to MCM CorporateWatch.

In the Treasury market last week, the 30-year Treasury bond ended the week at a yield of 6.22 percent, down from 6.35 percent a week earlier. Its price was up 27/32, to 100 14/32. Shorter maturities, while also ris-

ing, turned in less impressive performances because of technical factors favoring the long bond. Still there has been little to suggest a quick turnaround to the rally that Even if economic growth comes

around in the second half of the year, people just don't believe there's any inflation," said Scott Jacobson, head of fixed-income securities research at Piper Capital Management, which has about \$11 billion of assets.

One way to measure the market's

ference between yields on 30-year bond and two-year notes. Investors worried about inflation demand premium returns to lock up their money for relatively long periods. But with the two-year Treasury's vield slipping to 3.92 percent from 3.96 percent a week earlier, the gap anaiysts said. last week narrowed to 2.30 percent-

age points from 239 basis points. With that outlook in mind, corporations are reaching out to borrowers. "If you're going to do any financing at all you can't afford to sit on the sidelines," said Earl Chism. and the market will have to wait for

said were slim prospects for a quick recovery.

Thursday, the utility sold \$100 million of 30-year bonds at a yield of 7 percent, or 78 basis points more than the 30-year Treasury bond. The current 30-year Treasury issue is being bolstered by supply concerns and speculative buying.

"Traders are essentially placing bets on the magnitude of scarcity premium," said Fred Sturm, economist at Fuji Securities in Chicago.

Only about \$11 billion of the new bond were auctioned Aug. 12.

three, for the next sale. The Treasury has been shifting away from long-term borrowings to reduce its interest costs.

The previous 30-year bond had about \$18 billion issued between its February auction and its reopening in May, said Jin Park with Economic Advisors Inc. in Boston.

The Treasury said in May it would seil about \$22 billion in 39year honds a year, down from as much as \$40.75 billion in 1991.

Some of the investors who own the new bonds include Japanese. who have as much as \$3 billion of the \$11 billion in 30-year bonds auctioned, said Andrew Brenner, senior trader at Nomura Securities laternational, "We saw a lot of buying by Japanese accounts lot the new bonds," he said.

Japanese investors could sell at a profit because of the dollar's recent ascent against the year, as well as the rise in the 30-year bond.

Some investors and traders do not like what they see at the long end of the Treasury market. "Investors have to be careful." said Michael Martino, chief investment officer for The New England Fund Group, a 54.5 billion investment company in Boston, "Don't just buy the long bonds. They run to-

Knight-Ridder, Reuters, UP!

The Week Ahead: World Economic Calendar, Aug. 23 - 28

Europe

Asia-Pacific

 Aug. 23 Hong Kong Playmere International Holdings, the toy company behind the Teenage Mutant Pinya Turtis action figures, reports results for first half ended June 30. Outlook. Earnings weak as Turde popularity wares.

Hong Kong Consumer price index hyures for July, Outlook; Annual inflation
rate likely to remain between 8 percent

and 9 per Aug. 24 Tokyo Economic Planning: Agency release June diffusion index, Out-look; May show a worsening economic

Aug. 25 Tokyo Toyota Motor Co.

tax profit down 20 percent tax profit down 20 percent.

• Aus., 26 Hong Kong Swire Pacific toports results for first half ended June 30. Quitook; Profite down.

Hong Kong July merchandles trade fig-

China's austerny measures.

Aug. 27 Hong Kong Covernment releases economic report on first half and updates of forecasts for full year. Outlook

appropriate from the S.S. percent economic growth rate forecast.

Toliyo Management and Coordination Agency to release consumor price data.

Outdoor, No elib in deflationery frend.

Toliyo Ministry releases July sales data for and industry releases July sales data to large retailers. Outlook; Falling sales.

• Sometime this week: Frankfurt Au-gust pretomary cost-of-living figures. Forecast Up 0.1 percent in month end up 4.2 percent in year, effer 0.1 percent and 4.3 percent increases in July.

Fraudont July import prices. Forecast.

Up 0.1 percent in month and down 1.6

percent in year. cast. Surplus of 3.0 trillion line, down from

Little und wholesale price index, Fore-cast. Up 5.7 percent in year, after 4.9

a Aug. 23 Press index for July. Forecest: Up 2-2 percent in year, after 1-9 percent rise in June. Ama. 24 Frankfurt Bundesbank se-Aug. 23 Paris Final consumer price

curbes repurchase amountement.

• Aug. 25 Frankfurt Bundasbank repo affocation expected. Funds expung: 87.3 bitson Deutsche marks.

• Aug. 26 Frankfurt Bundesbank poticy-making council meeting. Outil Speculation growing, aspecially in

Speculation growing, aspecially at Ger-man banks, that the central bank will move to cut the discount rate. Bonn Chancellor Helmut Kohl meets President Franccos Mitterrand to discuss European Community matters, including stated GATT talks.

The Americas

e Apg. 23 Washington Trees

Santiago Central Bank appounces Corp selfs more than \$600 million in non-performing mortgage, commercial real estate and consumer loans Ottave Bank of Canada sets discount monthly indicator of economic activity for June. Outlook: Analysts expect the indi-cator to show a continued slowdown. Carmel, Indiana PSI Resources Inc. Detroit US automakers letter sales of ate sistes of directors backed by PSI or comeshcally made cars and light littless for the Aug 17-25 period San Jose, California Two-day Home Ofcould indicate the winner in a merger

battle between the two companies.

Comway, Arkeness Trial begins of suff by three local pharmacies against Waltion Technology Conference and Expos-tion to showcese computers faxes, cop-ers, products for people who work at by three local pharmacies against Wal-Mari Stores Inc. over alleged predatory pricing by the discount chain ship, Michigan General Mc-. Aug. 25 Washington Commerce

DIVICES ITS 1994-model line at GM's Lake Onon Assembly Center Earnings expected Albertson's Inc., Morgan Stanley Group, Novell Inc., Aug. 24 Ottmes Wholessie trade re-Flat Rock, Michigan Ford Motor Co. be-

tors, which some believe to

conference to show new semics. Sections tions and software products
Earnings expected Bombardier Inc.
Fleetwood Emerprises

Aug. 26 Washington Lasor Cepartment reports initial weekly state unemployment insurance claims

Aug. 27 Washington Pentagon s letense Acquistion Board meets to make

State Bank of New C\$ 150 2003 714 100.916 — Rooffbred at 99.266, Noncollable, Fees 214, (Merrill Lynch.)

Quebec C\$ 1,000 2003 71/2 98,813 - Noscolichia, Fees 0,35%, [Merrill Lynch, ScoticMcLood]

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R & I Bank Western A\$ 100 2003 714 100.95 - Nancallable, Fees 26%, Florebras Book.)

Continued from Page 7 discretion?" But it was clear that he had long since abandoned faith in a simple monetary target in favor of the wide variety of macroeconom-

Equity-Linked

European Investment - C\$ 500: 2000 696 100.215

\$ 93 1998 8 · 100 —

ic and financial variables" consuit-ed by the Fed. In Europe, the conundrum sppeared in a different form, because monetary authorities have concentrated on a different variable that: has also failed them — the value of their correncies in the European Monetary System, which is supported by interest rates set by the

Enropean representatives, still sorting out the wreckage of the sorting out the wreekap.

EMS currency grid, were under opposed to the Commentar approach, which seeks to merge first standardly more reinctant to ad-proach, which seeks to merge first standardly more reinctant to ad-proach, which seeks to merge first standardly more reinctant methods, and by doing so promote converging the standard methods. But one lesson was offered by An prince afterward.

The most prominent but the most prominent drew Crockett, international direc-tor of the Bank of England: "One can have an independent monetary policy or an exchange rate objec-tive, but it is difficult to have both." Mr. Crockett added: "Markets but also because the slow pace of its will do a better job if they know.

what the central bank is trying to

of rebuilding the EMS by avoiding: commitment to any particular ex-

would unite European policies again only after the members of the EMS had gradually realigned their policies through practice it should be be said "like learning to ride a bicycle and removing the training wheels only after you no longer need them."

This is a more pragmatic Anglo-Saxon path of leading Europe's economics on a path toward convergence before merging them, as opposed to the Continental ap-

adherent of the latter approach.
Germany stands somewhere in between, partly because it is still batling inflation rather than recession bank deregulation lets the Bundes-bank retain control over monetary

A Plan for Taxing the System?

Hans Tietmeyer, the Bundes-bank vice president who is to become its chairman in October, canous adjustments to the system.
Central banks, he said, should adopt explicit inflation targets that celed plans to attend the money supply, to rebuild the confidence of the markets.

> But all these methods put the osus on the central bank and, in the opinion of participants on both sides of the Atlantic, let politicians off too lightly as well as blunting through overuse the most important weapon of a central bank: its

Reoffered of 98.64, Noncollable, Fees 176%, (Bardays de Zoste Wedd, Salosson Brothers)

corries wasturals exercisable into company's preferred shows of \$30,35 per shore. Fees 0.50%. An additional \$57 million branche was sold to principal shoreholder with the same terms.

"Our policies must confront the Official Asserts problems presented by low-wage workers trading with our economics, and there is nothing that monetary policy can do about that," said Richard Syron, presi-dent of the Federal Reserve Bank of Boston, "How do we tell that to politicians, who do not want to face these problems that affect the incomes of their constituents?"

case, he said, "We might have waited longer, but we would only have been waiting until the disequi-

bbrium was greater, and the adjustment would have been larger and more brutal."

Andrew Crockett, the Bank of England's execu-

tive director for international affairs, said he want-ed to create a system in which there would be "no

one-way bet for speculators"—a principle with which Mr. Johnson, who had no qualms about identifying bimself as a speculator, said be was in

FED: Central Bankers Try to Navigate in New World China to Slam the Brake on Bonds

BELIING - In its latest move to reassert economic control and keep funds in the banking system, China will sharply restrict the number of bonds that can be conference but sent a message in issued by corporations this year and cashinday.

which he favored rebuilding the new projects, an official newspaper said Sunday.

China Daily quoted a central bank official as saying jointly set targets for their domestic the government would "slash" this year's bond issue unoney supply, to rebuild the confi-

but that the new target had "not been decided yet."

The bank official, Lu Pansheng, said, "If all the 20 billion in corporate bonds flowed into the hands of residents, bank savings would be reduced to a danger-U.K. Might Need

Tax Increases.

LONDON — A financial official left the door open Sunday for tax increases to help curb public debt.

"I cannot say now that come No-vember we will not need to see the rate of pubic borrowing falling fast-

er, and that would mean we would

have to have some tax increases," Michael Portillo, chief secretary to

the Treasury, said on television.

The chancellor of the Exchequer,
Kenneth Clarke, in November is to

announce the government's budget for the year beginning in April 1994. Mr. Portillo did not say whether direct or indirect taxes would be

more likely to be raised, but he

stressed that the Conservative Party was opposed on principle to high levels of direct taxation.

Plans already announced to put a value-added tax on household fuel

bills have angered some Conserva-

tive politicians, who say the move alienated voters. But Prime Minister

John Major's party is also worried that further cuts in public spending

would be equally unpopular.

applications for new projects would be approved and that companies needing working capital would be urged to apply for bank loans rather than bonds.

In July, the government launched a program to slow

growth and restrain speculative investments. But while China has recovered billions in irregular interbank loans used for speculation, it appears to have failed to enforce an Aug. 15 deadline on recalling all such loans. press reports Sunday indicated. Failure to meet the deadline would be a serious blow to Zhu Rongii, the deputy prime minister, who began the offensive to restore order to China's financial sector after taking over as central bank governor.

ELYSEES COURT TERME, SICAV

Société d'Investissement à Capital Variable Siège Social: 8, ovenue Marie-Thérèse / L-2132 luxembourg R.C. Luxembourg N° B 25863

Messieurs les actionnaires sont convoqués par le présent avis à L'Assemblée Générale Statutaire de notre Société qui aura lieu le 7 Septembre 1993 à 11 heures au siège social avec l'ordre du jour suivant :

Examen et approbation du rapport de gestion du Conseil d'Administration, du rapport du Révieur d'Entreprises agréé, des comptes annuels et de l'affectation des résultats;

- Décharge aux Administrateurs pour l'exercice de leurs - Renouvellement du mandat du Réviseur d'Entreprises agréé pour une année;

- Questions diverses.

Les actionnaires sont avertis qu'il n'y a pas de quorum pour délibérer valablement et que les résolutions sont prises à la simple majorité des actions présentes ou représentées.

Les détenteurs d'actions au porteur sont priés de déposer leurs titres cinq jours avant l'Assemblée Générale auprès de :

C.C.F. (luxembourg) S.A. 8, Avenue Marie-Thérèse L-2132 Luxembourg

Le Conseil d'Administration

ELYSEES MONETAIRE, SICAY

Société d'Investissement à Capital Variable Siège Social: 8, avenue Marie-Thérèse / L-2132 Luxembourg R.C. Luxembourg N° B 25791

Messieurs les actionnaires sont convoqués par le présent avis à L'Assemblée Générale Statutuire de notre Société qui sura lieu le 7 Septembre 1993 à 10 heures au iège social avec l'ordre du jour suivant :

 Examen et approhation du rapport de gestion du Conseil d'Administration, du rapport du Réviseur d'Entreprises agréé, des comptes annuels et de l'affectation des résultats: - Décharge aux Administrateurs pour l'exercice de leurs

- Renouvellement du mandat du Réviseur d'Entreprises

agréé pour une année; - Questions diverses.

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Bids are to be submitted in a sealed envelope to EGOTH addressed to the Financial Advisor and to be labelled " Tender for Sale of The Aswan Oberoi Hotel ' by 12 O'clock noon, Cairo time, on Thursday 21 St October 1993

Fax no. (44 - 71) 8674454

Any clarifications regarding this announcement should be addressed to the Financial Advisor (EDBE) or Advisor

which is the last date for acceptance of Bids .

PUSH: U.S. Drive to Boost Exports

JACKSON HOLE, Wyoming — One of the proposals that has been made to slow floods of speculative capital such as those that overwhelmed the European Monetary System this summer is a legerant tax on foreign-cachange transactions. But would such a levy have made any difference to

George Soros when he made more than \$1 billion.

peculating against the pound last year?

It would only have made things worse, Robert

A. Johnson, one of the two co-managers of Mr. Soros's funds, said at a conference here. In such a

Continued from Page 7

week on behalf of Booing Co. and week on behalf of Boeing Co. and McDonnell Douglas Corp. marked a new level of commercial intervention by the White House Mr. Chimson by the Sandis, apport Boeing's bit to the Sandis, most of it in the form of federal loan guarantees. "If McDounell Douglas gets a piece of this, we'd respond to their request, too," a bank spokestiman of the agency.

Last Thursday, the hauk's directors agreed preinmanily to provide up to \$6.2 billion in financing to support Boeing's bit to the Sandis, most of it in the form of federal loan guarantees. "If McDounell Douglas gets a piece of this, we'd respond to their request, too," a bank spokesficial announcement has been made. man said.

The administration's effort is apt to alarm Europe and Japan. If it's just high-level salesmanship that's one thing, but if it gets into a subsidy war or discriminatory practices that's another," said Willard M. Berry, president of the European

American Chamber of Commerce,
which represents European compa-

The promotion policy includes a loans, loan guarantees and other larger, more strategic role for the larger, more strategic role for the larger, loans support, bank of Export Import Bank, the primary ficials said.

source of federal export finance support, according to Kenneth D. Brody, chairman of the agency.

The Export-Import Bank raised its customary loan fee, payable by the Saudis, from 2 percent of the losin to 4 percent, more than enough to cover costs, Mr. Brody said. "We want to do more with exporters and give a better break to taxpayers at the same time," he said. The Export-Import Bank's bud-

ger request of \$757 million would make possible \$15.5 billion in loans, loan guarantees and other

BusinessWeek

O Will Yen Shock Open Japan?

O AT&T's Global Cellular Bet

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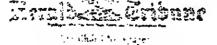
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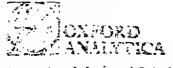
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Amsterdam

The Amsterdam Stock Exchange moved higher last week, with the CBS All-Share Index closing at 246.2 points, up from 243 the previous Friday.

Sha water water The court

Brokers said the marker was boosted by recovery hopes, although some a consolidation might be in store this week, with curren- London

After a slight drop early in the week, the Beecham climbed 19 pence to 451, and Zen-DAX index rose 25.55 points Wednesday, eca rose 38 pence to 701, when foreign investors showed a lively inter—Euro-Disney, which demed reports last est in the options market, and gained 3.26 points Thursday.:

The DAX fell 16:30 points Friday on prol pence to 640.

Gains were registered by automobile man-Milan ulacturers, including BMW, whose shares Shares had a strong week, with the Mibtel rose to 568.50 Deutsche marks Friday, com- hades result 482 recent to 11043 points in paned with last week's close of \$63.

But Volkswagen, still rocked by allegations that its director of purchasing Jose
Ignacio Lopez de Arnortia, had been involved in industrial espionage, saw its shares
fall to 385.60 from 399.50.

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- 17.30 - 41.36 20100 - 1,040.30 74.30 3,672.60 2.042.30 8,683.90 45-67.60 4825.30 2.347.30 76,737.30 5,686.40

5 Notes 74.726.79 -7.197.60 30.726.60 17.526.6

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Weekly Sales

Secondary Market

Euromarts

At a Glance

Eurobond Yields

week on good political and economic news, with the Hang Seng Index gaining 153.11 points, or 2.1 percent, to close at 7,545.36. investors seemed happy with the cordial atmosphere at the Chinese-British negotiations over Hong Kong's political future in

Frunkfurt

The stock exchange gained 0.8 percent in a week of heavy trading, with the DAX index year high of 1,946.39 on Thursday.

After a slight drop early in the week should be supported by the stock of the stock of the stock exchange at three year high of 1,946.39 on Thursday.

After a slight drop early in the week should be supported by the stock of the stock exchange at three year high of 1,946.39 on Thursday.

After a slight drop early in the week should be supported by thopes of interest-rate cuts and a jump in pharmaceuticals shares.

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Euro Disney, which demed reports last weekend that it was considering a temporary closure of its theme park near Paris, fell 95

Index rising 4.82 percent, to 11,043 points, in heavy trading.

Lescommunications stocks were in heavy

Stocks soared to record highs during the emphasis that followed the reorganization of

the European Monetary System at the start which gained 387.23 points the previous

of the month, brokers said. The CAC-40 index fell almost 20 points, or just under 1 percent, to 2,128.20, but was still 6.6 percent higher than at the end of July. Two quarter-point cuts in the Bank of France's overnight lending rates were less than the market had been hoping for on the

interest-rate front.

as shares climbed for the third consecutive

The Straits Times industrial index closed at 1,972.27, a gain of 54.40 points for the of a stronger yen and Federal Reserve Board week. The broader SES index firmed 13.76 points, to 501.40.

The strong showing of the previous two weeks continued after an announcement by Singapore Telecom Tuesday that it would be assess a higher yen or a lower yen," a Tokyo offering between 900 million and 1.2 billion Securities Co. dealer said. Singapore dollars worth of shares in October. The float was smaller than expected and thus less of a threat to the market's liquidity.

"There was good news for the market three weeks in row," a dealer said. Betterthree weeks in row," a dealer said. Better-small gain, helped by good Credit Suisse tham-expected second-quarter economic per-formance and an excellent first-half perfor-mances by the top four local banks paved the than-expected second-quarter economic per-formance and an excellent first-half perfor-

Tokyo

business and real estate invest-

relatively high to provide incentive to keep funds at home.

ments in China.

Share prices lost ground on a rapid appreciation of the yen and the failure of the new government to present concrete economic remedies, dealers said. The Nikkei Stock Average of 225 issues.

week, lost 137.91, or 0.66 percent, to close at 20,607,26

The Tokyo Stock Price Index, based on all issues listed on the first section of the ex-change, ended at 1,659.19 points, off 23.89 for the week.

The Nikkei advanced Monday but fell for the next four days. Tuesday's drop was triggered by the surge of the yen against the dollar, which was seen as depressing reces-The market closed at a record high Friday sion-hit exporters and preventing the Japaoese economy from picking up.

The dollar recovered some ground against the yen Friday on official U.S. disapproval intervention.

But the sharp fluctuations of exchange rates left many market players uncertain. "The market is still wondering how it should

Shares ended an up-and-down week with a

The Swiss Performance lodex gained 7.95 percent, to close Friday at 1,565.45.

The market was encouraged by a 67 per-cent increase in net consolidated profit at Credit Suisse for the first six months. Credit Suisse shares gained 65 Swiss francs during the week, ending at 2,920.

TATWAN: Taipei Gears Up to Improve Foreigners' Access to Its Markets

Gainfailed from Page 7
turn leap from and Said Jonathan
Ross, head of HO Asia Securities
Taiwan Lid. The lorer-related restrictions, are still danning for

most people."
Of close to \$2 billion approved for investment at the end of June, analysis say only about half has been invested. As far as emerging markets are

concerned, Taiwan is referred to marginally, said Mr. Chen. I know our capital, restrictions are considered burdensome

The need for extensive scrutiny of market corrects was attributed to the central bank's belief at the time that a highly speculative and liquid stock market hardly needed a fresh injection of funds. Nor was the bank willing to drop its tradi-

Japan to Propose Pipeline

TOKYO — Japan plans to pro-pose a major oil and gas pipeline from the former Soviet Central Asia through China to the Pacific, a

tional guard against mainland Chinese capital gaining a tochold in membership as a developed counthe Taiwanese economy. The bank also was reported to we can, and our financial markets are likely to be of great interest. We have been concerned that substan-

have to prepare for the worst." tial capital flows could distort the Taiwan has taken oumerous value of the Taiwan dollar, which was not heavily traded then. . steps to open its financial markets in recent years, liberalizing its banking, stock market and insur-But Taiwan's economic landscape has changed somewhat over ance sectors to mixed review from the past two years, greatly altering the country's need for capital and foreign groups trying to enter.

Recently, the SEC moved to alliquidity in the stock market.

Despite scaling back the world's low foreign futures traders to offer most ambitious infrastructure their services in the Taiwan market. as a prelude to developing a domesbailding program, Taiwan still tic futures market and a further faces enormous capital needs. attempt to drive illegal traders out Many domestic investors are pour-ing money into largely clandestine of a big business.

While the SEC is working to develop stock market index and gov-In response, Taiwan has cracked ernment debt interest futures to down on publicly listed companies raising money through issuing eq-mity for China investments, which help build a sophisticated marketplace essential to increasing foreign interest. Taiwanese securities' relaconservative estimates say have altive value will be the true test of ready reached \$10 billion. At the foreign enthusiasm. same time, the central bank has been forced to keep interest rates

At the time of its initial opening. try," said Mr. Chen. "Its members Taiwan's stock market was overval-will be asking us to do as much as used in regional comparison and its small foreign float provided little incentive to enter the market.

The combination of weakened exports, tighter liquidity and con-cern that the long-ruling Nationalist Party, or Knomintang, faces an internal split at the same time its opposition is gaining in public sup-port has contributed to lackluster prices on the stock market.

But some brokers said a turnaround in sentiment was possible, based on an improving export performance and Taiwan companies' greater involvement in China's rapid growth.

"Even though local investors aren't impressed with 6 percent growth, it's not too bad for foreign restors," said Mr. Lin.

He added that many industrial companies' valuations were now in line with regional competitors.

Microsoft Faces New Inquiry

عكذاه للهمل

partment's inquiry into alleged anti-competitive behavior by the company after the Federal Trade Commission decided to drop its investigation.

"We are gratified that after a very thorough investi-gation, conducted over a period of 38 months, the FTC concluded that no further action is warranted by the commission at this time," Bill Neukom, Microsoft's vice president of law and corporate affairs, said. We intend to cooperate fully with the Justice Depart-

meat in its inquiry."

The commission told Microsoft io a letter dated Friday that it would take no action on accusations that the software manufacturer had engaged in unfair competition. But the Justice Department, which asked earlier this summer to examine the evidence the com-mission had collected, said it would take up the case. Gina Talamona, a spokeswoman for the Justice De-

REDMOND. Washington — Microsoft Corp. submitted to the FTC to avoid duplication. Based on pledged Saturday to ecoperate with the Justice De-

as promptly as possible." She would not elaborate.
Microsoft, which has denied any illegal activities or wrongdoing, was first informed of the trade commis-

sion's investigation in June 1990. It initially concerned an allegedly anti-competitive agreement between Microsoft and loternational Business Machines Corp. in November 1989 that has since

been abandoned. In April 1991, Microsoft learned that the inquiry had been broadened to include complaints that it said sought to monopolize the market for operating sys-

tems, software and peripherals. Microsoft supplies the MS-DOS operating system software that, along with lotel Corp.'s microprocessors and IBM's personal-computer standard, has transformed the computer industry.

entire annual budget of Saudi Ara- the huge dollar reserves built up

bia — was responsible for most of when oil prices were high.

SAUDI: From Oil Fortune to (Relatively) Hard Times

Continued from Page 1

the 1930s when price increases were imposed by the Organization of Petroleum Exporting Countries after the 1973 Arab-Israeli war,

The Saudis used the flood of cash to transform their country from a tribal state into a modern monarchy. Then came the world oil glut, and a drastic drop in prices for the source of three-quarters of the government's revenue. The value of the dollar, the currency used for oil

sales, also dropped. In the 1980s, the fiscal policies of the Saudis began to resemble those of the United States. A decade of

deficits began in 1983 with a huge military buildup. No goal was too costly. Saudi officials decided to turn deserts into wheat fields using price supports and water draiged from aocient aquifers. Saudi Arabia is nov

the country's current difficulties.
But the IMF studies questioned that argument. Soon after the United Nations banned the sale of Iraqi crude oil, Saudi Arabia's oil output jumped to 8 million barrels day from 5.5 million, the studies showed. That extra oil was worth an additional \$24 billion in revenue for the Saudis in 1991, and at least

the same amount in later years. Saudi Arabia has used an array of strategies to postpone the day of reckoning, according to officials and private analysts.

The Saudis began by drawing on

But that lower figure was overstated, private analysts and Saudi officials said. It included as much as \$20 billion in loans to Iraq that are unlikely to be collected.

Much of the rest is unavailable to the Saudis, the IMF said, because it must be set aside to back the Saudi currency and to finance trade

According to official Saudi sta-tistics, the foreign assets and cur-rency reserves of the central bank

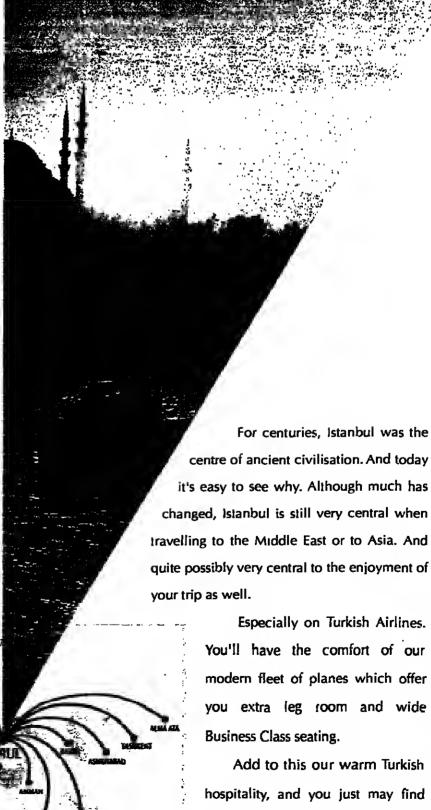
fell to \$51 billion at the end of last

year from \$121 billion in 1974.

MUTUAL FUNDS

the sixth-largest exporter of wheat in the world, according to U.S. Commerce Department statistics. The Gulf War tightened the financial pressures on Saudi Arabia. President George Bush sent half a, million Americans to defend their kingdom and push the Iraqis cut of Kuwait, but insisted that the Saudish and the Iraqis cut of Kuwait, but insisted that the Saudish and the Iraqis cut of Kuwait, but insisted that the Saudish and the Iraqis cut of Kuwait, but insisted that the Saudish and the Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of Kuwait, but insisted that the Saudish and Iraqis cut of the Iraqis cut of Commerce Ira	inm where theres man burne and-			
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Commerce Department statistics. The Gulf War uightened the financial pressures on Saudi Arabia. President George Bush sent half a million Attentions to defend the kingdom and push the Iraqis cut of Kuwait, but insisted that the Saudis bear the brunt of the financial burden. The war cost the Saudis \$55 billion according to a 1991 study by the International Monetary Fund. Of that, \$12.8 billion was paid directly to the United States. Most U.S. officials agreed with the Saudis assertion that the high	the sixth-largest exporter of wheat	Bld Ask [Bid Ask Bid Ask	Bld Ast
	in the world, according to U.S. Commerce Department statistics. The Gulf War tightened the financial pressures on Saudi Arabia, President George Bush sent half a million Americans to defend thei kingdom and push the Iraqis out of Kuwait, but insisted that the Saudis bear the brunt of the financial burden. The war cost the Saudis \$55 hillion, according to a 1991 study by the International Monetary Fund. Of that, \$12.8 hillion was paid directly to the United States. Most U.S. officials agreed with the Saudis' assertion that the high	Bond p 11.28 NL Infoyr p 1 CA Inf 10.28 IB.72 NVWai CA Inf 10.28 IB.72 NVWai CA Inf 10.28 IB.72 NVWai Ca Inf 10.28 IB.73 NVSOICA Ca Info II	Dealingt 10,55 1,30	Vontribry 12-51 111 Wright Frends: Curlin 10-50 111 Gw0b 14-65 111 Gw0b 14-65 111 Gw0b 14-65 111 InBiCh 11-72 111 Neor'B 10-52 111 Neor'B 10-5

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The related problems of capital newspaper reported Sunday.

The Mainichi Shimbun, quoting outflow and currency depreciation have given the SEC ample justificagovernment sources, said Japan tion to extend a liberalization prowould propose that China, Kazakh-sten, Uzbekistan and Turkmenistan gram it argues must continue to join it in a project to build the 6,000-kilometer (3,700-mile) pipeline by gain strength to prepare Taiwan for eventual entry to GATT. the ium of the century. . "We will be applying for GATT NASDAQ NATIONAL MARKET Soles in Net OTC Consolidated trading for week 7 ... Sales by 4577 91/2 876 856 - 1/2 Net Y

Waigel Presses Case for Frankfurt

BONN (Knight-Ridder) - Finance Minister Theo Waigel said in an interview to be published Monday be would tell his EC partners that monetary union will only happen if Frankfurt is chosen as the site of the future European central bank.

Asked by the newsmagazine Focus from which city the future European currency would be guided and guarded, Mr. Waigel said: "From Frankfurt am Main, of course." Frankfurt is home to the Bundesbank. He added: "We will make that very clear to our partners. Either the European central bank will come to Frankfurt, or this entire enterprise is not going to happen." The European central bank is expected to be set up in 1996 as a successor of the European Mocetary Institute that will be

created Jan 1, 1994. No site has been determined for the EMI. Mr. Waigel also said that even if the timetable of European monetary union is changed, the Maastricht treaty's criteria to converge European Community economies would not be altered.

Malaysian Chip Shipment Is Stolen

KUALA LUMPUR (AP) — A Malaysian electronics company has reported that 1.7 million ringgit (\$666,000) worth of microchips were stolen white being shipped to the United States, the police said Sunday. The chips were shipped between April 22 and July 22. A Siemens AG usus in California recently notified its Malaysian subsidiary, Siemens Components PvL, of the theft, the authorities said.

Police suspect the chips were stolen at Kuala Lumpur's airport. On Thursday, 30,000 ringgit of chips were stolen at the airport's cargo complex.

EC Lends Hope to German Miners

BONN (Reuters) - The European Community competition commissioner. Karel van Miert, has provided a last hope to 700 striking miners in Eastern Germany by saying the Community was not certain to approve a deal under which their mine is due for closure.

Several thousand people held protests at the Bischofferode potash mine over plans to shut it at the end of the year as part of a merger of its parent Mitteldeutsche Kali AG with Kali & Salz AG, a unit of BASF AG. The newsweekly Der Spiegel quoted Mr. Van Miert as saying that the EC Commission had serious doubts about the merger. It could not approve it in its present form because of worries that there would only be two major potash producers left dominating the European market.

NTT Puts Off New Digital Network

TOKYO (AFP) - Nippon Telegraph & Telephone Corp. has postponed the commercial development of a new digital telecommunications network because of uncertain demand, a press report said over the weekend.

Nihon Keizai Shimbun said the start of the broadband integratedservices digital network service on a commercial basis would be delayed

until 1998, three years later than planned. The new network can send data, including pictures, through a digital network 100 times faster than the current system. NTT planned to invest 45 trillion yen (\$432 billion) by 2015 in the project, which the government also promised to promote as part of the development of nanon's infrastructure.

Continued from Page 1

Stock Exchange, and analysis say their growth is largely responsible for driving stock prices to recent

Another factor is the emergence of specialized finance companies hat are so efficient they can write loans cheaper than most banks. The second-largest lender in the country is not a bank at all, but a division of General Electric Co. that runs the credit card operation at Montgomery Ward & Co., fioances credit purchases of Apple computers and owns the nation's largest fleet of cargo ships, rail cars

and trucks. A third factor is the spread of what Wall Street calls "securitization," a process by which lenders bundle mortgages and other loans and sell them as a group to investors who receive the monthly loan payments. Today, 80 percent of all mortgages, 50 percent of college loans and 15 percent of car loans are sold in this fashion, helping 10 transform banks from providers of money to middlemen and brokers. Each of these developments has

been driven by new technology that allows almost anyone to move money around the economy at the touch of a button. Automated teller machines, toll-free telephone numbers and computers that can approve simple consumer loans threaten to make the corner branch bank obsolete. And sophisticated computer systems make it possible to pool and sell loans in ways that would have been unthinkable in an

era of paper records.

Providing the energy for this financial revolution has been a new, entrepreneurial breed of money managers, working through highly specialized firms, who have picked off one piece of the banking busi-

ness after another.

Lewis Ranieri, the Wall Street bond trader who helped create the securitized mortgage market, be-

nesses that those institutions no do and how they can do it. In recent longer dominate: big corporate years, the cost of complying with lending mortgages, real estate loans, college loans, auto loans, credit card, iostaliment loans.

equipment leasing. One of these days the banks will wake up and wonder, "What business is left?" he said. The shift of funds from banks to mutual funds has created a whole

new way to recycle money through the economy.
Unlike banks, mutual funds are prohibited by law from making loans. Instead, they use investors' money to buy securities traded on an open market. So Wall Street has developed a bewildering array of

new stocks, bonds and other securities. All accomplish essentially the same purpose of taking money from mutual funds, pension funds and other large investors and pass-ing it on to other financial intermediaries, which lend it to consumers

Despite its complexity, this new system for recycling money from savers to borrowers turned out 10 be more efficient than the simpler under-one-roof mechanism offered by the banks.

To pay for their expensive nerwork of branch offices, check clearing operations and loan officers, a bank needs a "spread" of 3 to 4 percentage points between what it pays to savers as interest on their money at the deposit window and what it collects from borrowers at the loan window. By contrast, their new high-tech competitors need less than half that spread to make a profit recycling savings into loans and investments.

"Banks have an antiquated distribution system that is two to three times as expensive as the securities market," said Jerome Kenney, executive vice president of Merrill Lynch, the biggest brokerage firm on Wall Street.

Because of the federal deposit gan a recent interview by coting the insurance that stands behind a flow of funds out of banks and bank account, the government ticking off the various loan busi- strictly regulates what banks can

those regulations has increased at a time when many depositors have concluded that they could do without the insurance. This combinareached its end." tion of higher costs and a lower volume of business has left banks

in a competitive squeeze. Regulation also has dulled the competitive instincts of the banking industry. Bankers concede that, after living for years with government subsidy and supervision, their industry is saddled with a business mentality that makes it difficult to . adapt quickly to new technology and the competition from a new

breed of money managers. "Banks have stewed in their own juices," said Mel Blake, a top strategist at Bank of Boston Corp. "They are captives of their own history and that is the biggest obstacle they have to overcome."

Some banks have begun to adopt some of the techniques of their nonbank competitors. To stem the outflow of deposits, banks have begun offering a wider array of investment products, including their own lines of mutual funds. A few banks have begun to set up national networks to market consumer and business loans on a scale rivaling some of the more successful finance companies.

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BANKS: For Millions of Americans, the New Money Game Is the Answer But Lowell Bryan, an industry consultant with McKinsey & Co., said that hanks were sailing against the prevailing winds. "Banks are lighting a 20-year trend that hasn't

It all began with Fannie, Freddie and Ginnie.

Hoping to boister home ownership, the government created three hage organizations to raise funds for mortgages that banks and thrifts could not finance from their own pool of deposits: the Federal Home Loan Mortgage Corp., known as Freddie Mac, the Government National Mortgage Association, a federal agency known as Ginnie Mae, and the governme sponsored, privately owned Fannic

The purpose of this system was to allow banks and savings and loans to make more loans by recycling the same base of deposits. Fannie, Freddic and Ginnie would buy mortgage loans from banks, thrifts and other lenders and combine them into loan pools.

The pools are sold to investors in much the same way companies sell stock, with the monthly mortgage payments from thousands of homemers passed on to the hundreds of investors in these "mortgagebacked securities."

The unintended consequence of interior today From Morgan Stories Co.

this system was to break up the secondary mortgage market And near-monopoly that banks and thrifts had enjoyed as mortgage lenders. Because the system perlenders Because the system per-mits virtually anyone to make a mortgage loan and then sell it, it. has spawned a new breed of lenders who now account for half the market, up from one-third five years

Unlike a traditional bank, these specialized mortgage banks have no depositors: They get money to make new loans by pooling their old loans and selling them on the

ers to analyze the creditworthin of a prospective borrower. They can often approve a loan in a matter of hours and arrange to sell it even before the final papers are

Lower costs have given them the freedom to offer lower interest rates, winning them a giant share of the mortgage refinancing bonanza. NEXT: Banks respond

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Last Week's Markets

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&P.Ind	518,60	- 507.29	+ 223 %	Call money	2 %	33/16
YSE CD	251.25	249.70	+1/2%	3-month interbank	276	3.00
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NSCIP ·	d072.00	SE7,12	+219 %	London pure, fix \$ 373.2	301.00	

EUROPE: Can Week of Meetings Cure What Ails Germany and France?

Continued from Page 1 along," said logo Kolboom, head of the German-French department of the German Society for Foreign

Affairs, in Boon, At the same time, both sides are expected to press their contradictory positions on a world trade pact and on the speed of European integration.

The Bundesbank, which threw Europe's fragile exchange-rate mechanism into disarray when it declined to cut its discount rate in July, again faces the dilemma of easing credit to help Germany's neighbors or standing pat to keep pressure on Bonn, whose runaway spending on German reunification

They talked

about

who's

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6

is a major obstacle on the road to lower interest rates.

"It would look suspicious to have sacrificed the European exchange-rate system for a four-week delay in interest rates cuts," said Holger Fahrinkrug, a German economist at UBS Phillips & Drew. He predicted that the Bundes-

bank would wait a few weeks to cut A French banker, who declined to be identified, agreed, saying: "The Bundesbank besitates to act under political pressure. At the same time, if both the Germans and the French are saying the tim-ing of the meetings is coincidence,

I'd wager to say that it isn't."

The last time the Bundesbank discussed cutting in its discount rate, which usually sets a floor for market rates, its internationally minded Frankfurt-based directorate was apparently outvoted by regional central bank governors who opposed a trim despite the predictable consequences for Germany's oeighbors. The failure to cut the discount rate forced Germany's

The French-German partnership

oeighbors to reverse a decade of

monetary convergence and virtual-

ly abandoo the European ex-

change-rate mechanism.

ing weeks, French and German officials have repeatedly attacked each others' visions of the new European order.

Then, last week, German officials scratched another old wound: France's supposed intransigence efforts to forge a world trade pact uoder the General Agreement on Tariffs and Trade. Paris has resisted the so-called Blair House accord between the European Community and the United States that envisions limits on export subsidies.

Officially, neither side is show ing any movement on the trade was strained to the breaking point during the crisis, and in the follow-servers see a compromise coming. impasse. Uoofficially, some ob-

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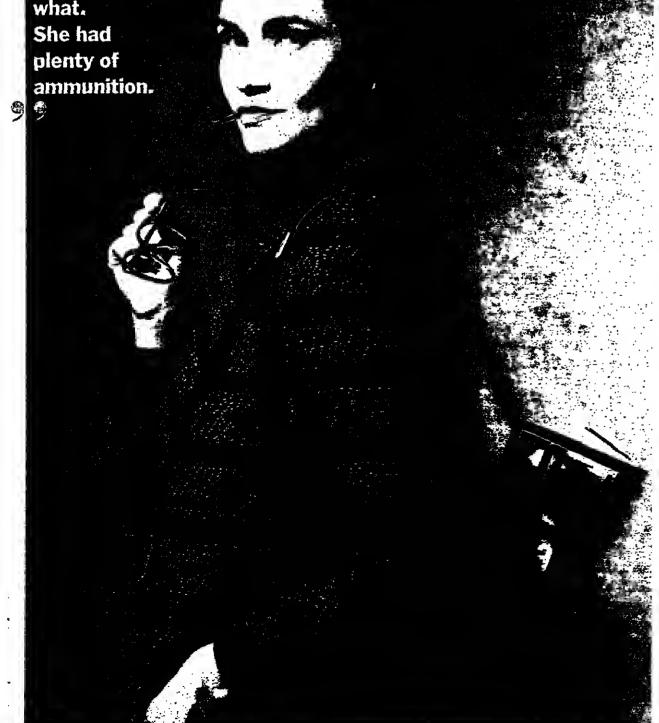
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IS BASEBALL

Dodgers Finish Sweep Of Fading Cardinals With a 3-0 Victory

Hard-luck Ramon Martinez wood for the first time in more than a mouth and Eric Davis homered as the Los Angeles Dodgers completed a three-game sweep of the finding St. Louis Cardinals with a 3-0 with a one-out homer, his 15th, in they Study in St. Louis Cardinals with a 3-0 with a one-out homer, his 15th, in they Study in St. Louis Cardinals with a first with a one-out homer, his 15th, in the third. tory Sunday in St. Louis.

Lankford four times, and waiter two in his third shutout of the year, with time rains in the sinth. Sean Beroa in the comments, one inside the part, and drove in six of six starts since the All-Star break, despite a 2.63 ERA, and hadn't won since July 15.

Davis helped Martinez out of his biggest ram in the third, making an over-the-shoulder catch at the warning track on Bernard Gilker's line with runners on first and see warning track on Bernard Gilker's line with runners on first and see warning track on Bernard Gilker's line with runners on first and see warning track on Bernard Gilker's line with runners on first and see warning track on Bernard Gilker's line with runners on first and see line with a sacrific line wi

alk and three strikeouts. He's 0-5 Cincinnati

consecutive home runs in the first in the count, 2-1, to Walker, Roper inning to start Houston on the road. threw another hard one down the

Marinez (9-8) struck out six in The Astine made it 40 in fourth cluding fifth-place hitter Ray when Eddic Transcore singled and scared out the country character by Chin Dennels, and they chared Rivers with time rays in the sixth.

walk and three strikeouts. He's 0.5 cmcman.

for his career against the Dodgers.

Davis led off the fifth with his

Ith home run:

In the sixth, Jose Offerman
reached base on an infield hit off the first swing of the game by a first baseman Gregg Jefferies Montreal batter. He accomplished resched base on an infield hit off the first swiling of the game by a first baseman Gregg Jefferies' Montreal batter. He accomplished glove and went to third when see that difficult fear by walking the base full in the first mining them ball but lost it, throwing it into giving up the slant to Luny Walker, right field for an error. Jody Reed Roper (2-3) opened the game by followed with a sacrifice fly.

Astres 7, Phillies 3: In Houston, Rendy and John Vander Wat on 13 fastballs. Then after falling behind to the first in the context of the game by walking Manguis Grissom, Randy and John Vander Wat on 13 fastballs. Then after falling behind the first in the context of the game by a first ball in the first in the first walking of the game by a first ball in the first walking the context of the game by walking the game by walk to victory over Philadelphia. middle, and Walker lined it over Darryl Kile (14-4) allowed six the wall in center for his 16th middle and Walker fined it over

Darryl Kile (14-4) allowed sta una hits in 7% innings to win his third homes.

While Walker circled the bases,



The Royals' Mike Macfarlane kept ball and balance after tagging the Yankees' Mike Stanley.

There's not many times I've been embarrassed on the mound, but tonight I was embarrassed," he

said. Tm young but I'm a little Giants 7, Marline 4: In San Francisco, Scott Sanderson broke his 10 game losing streak, allowing Florida one earned run on five hits

me 21-year-old Roper realized his mistake. Throw a fastball every picked up off waivers this month time; and major league hitters are going to smash it.

Sanderson, a 17-year veteran, was picked up off waivers this month from the California Angels, where he lost his last nine decision.

Braves 6, Cahs 3: In Chicago, Fred McGriff and rookie Javier Lopez hit two-run homers for Atlanta in the eighth inning.

Dodgers 8, Cardinals 4: In St. Louis, Pedro Astacio allowed one hit over six innings and Jose Offerman drove in two rans for Los

Sales in Net .

Astros 3, Phillies 2: In Houston, Luis Gonzalez's RBI single in the Bret Boone hit a two-run single for bottom of the 10th inning scored Steve Finley from second base with

the winning run.

Rockies 4, Mets 3; Rockies 8, pitched a four-hinter shutout of the season.

Mike Macfarlane's

1886 Hillyth Lowe Classe Chine

saved both games.

Harris (10-12) was 0-3 in four starts since the Rockies acquired him and Bruce Hurst in a July 26 more in the sixth, two on Greg

McDowell of White Sox Is First 20-Game Winner

عكذابين المراجل

season, escaping trouble on several occasions Sunday in pitching the Chicago White Sox to a 1-0 victory over the Minnesota Twins at Min-

Frank Thomas's first-inning home ran, one of only three Chicago hits against Jim Deshaies (11-12), was all the support McDowell (20-7) needed to keep the White Sox four games ahead of secondplace Kansas City in the AL West. MeDowell allowed eight hits in his fourth shutout and eighth com-

plete game of the season. He became the first White Sox pitcher with consecutive 20-win seasons since Jim Kaar in 1974 and 1975. The 27-year-old right-hander walked one struck out 10 and

worked out of jams in the second, fourth, sixth and seventh innings.

Blue Jays 12, Mariners 7: In Toronto, Tony Fernandez and Ed Sprague drove in two runs each in a ive-run seventh inning as the Blue Jays railied after blowing a big lead to move one game ahead of New York in the AL East.

Juan Guzman (10-3) allowed six runs on seven hits in seven innings as the Blue Jays salvaged the finale

of a three-game series. The Blue Jays led 5-0 in the third, but the Mariners took advan-

tage of two errors to score three uncarned runs and trim the Blue Jays' lead to 5-3 in the fourth. In the Seattle sixth, Brian Turang's double scored a run before

a 6-5 Mariners' lead. Royals 7, Yankees 0: In New York, Chris Hancy of Kansas City pitched a four-hitter for his first

Mike Macfarlane's career-high the first game and Darren Holmes 18th home run in the second inning gave Haney all the support be needed. The Royals scored three times in the lifth and added three

Jack McDowell became base-ball's first 20-game winner of the York with a double and sangle. Rangers 11, Orioles 4: In Baltimore, Butch Davis of Texas hit the first inside-the-park homer at Cam-den Yards, and Rafael Palmeiro

and Dean Palmer also homered as the Rangers ended the Orioles' nine-game home winning streak. The Rangers' Kevin Brown (10-struck out seven, allowed 10 hits and walked four in 7% innings.

AL ROUNDUP

In the third inning, Devis's drive to center field eluded the leaping Mike Deversaux at the wall, and the relay throw from Harold Reynolds struck Davis on the head as he slid across the plate. It was the first inside-the-park homer in 141

games at the 2-year-old park. Indians 3, Red Sex 2: In Boston, Reggie Jefferson's run-scoring grounder in the 11th inning gave Cleveland its first four-game series sweep at Fenway Park in 33 years. Kenny Lofton led off the 11th with a single and went to third on a double by Jim Thome off Ken

Bacrga singled, Albert Belle hit an RBI double and princh-hitter Ran-dy Milligan singled for a 2-2 tie. The Cleveland comeback overshadowed the heroics of Rob Deer in his debut for Boston. He homered on his first swing as a Red Sox and made a diving cateb in the

seventh to save two runs.

Deer, traded from the Detroit Tigers on Saturday, hit a 3-0 pitch into the screen atop the left-field wall leading off the second inning. It was his 15th of the season.

In Sanurday's games: Yankees 3, Royals 2: In New York, Scott Kamieniecki extended his home winning streak to 12

ing RBI single in the sixth inning. Kamieniecki 19-4) gave up two runs and five hits in eight innings

Mariners 5, Blue Jays 2: In Toronto, Dave Fleming (9-2) gave up two runs on eight hits in seven innings for the Mariners. He left with the bases loaded, none out and a 4-1 lead in the eighth, and relievers Jeff Nelson and Erik Planten-

berg held Toronto to one run. Orioles 6, Rangers 5: In Balti-more, Nolan Ryan injured his rib cage and Tom Henke blew a 9thinning save opportunity for Texas, later giving up the Orioles' winning run in the 12th.

Jack Voigt opened the 12th with a waik off Henke (5-4). Craig Lefferts relieved and gave up a sacrifice bunt to Brady Anderson before Mark McLemore lined an RBI sin-

gle to left Ryan, whose final season has been marred by two stints on the disabled list, left after three innings with a pulled muscle in his left rib

case. He will be examined in Texas. Indians 10, Red Sox 5: In Bos-Ryan (4-1). Lofton scored as Jeffer- ton, Sandy Alomar scored the goson grounded to first.

The Indians rallied for two runs reliever Greg Harris in the ninth with two outs in the eighth. Carlos inning. Boston starter Roger Clemens struggled again in a no-deci-

> won since July 21. White Sox 9, Twins 4: In Minneapolis, Tim Belcher allowed five hits in 715 innings and Dan Pasqua homered and drove in three runs

> sion, giving up five runs and seven hits in six-plus innings. He has not

Angels 7, Brewers 6: In Anaheim, California, Chili Davis hit his 18th homer of the season with one out in the ninth inning to give California the victory over Milwankee.

Tigers 4, Athletics 3: In Detroit, Alan Trammell singled home the go-ahead run in the seventh inning after Oakland intentionally walked Cecil Fielder.

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SPORTS GOLF

Woosnam, a Winner, and Rocca on Team

Compiled by Our Staff From Dispatches BIRMINGHAM, England - Ian Woosnam won the English Open on Sunday, for his first victory this year on the European Tour, and ensured his sixth successive Ryder

Cup appearance while Costantino Rocca became the first Italian to make the team. Woosnam shot a final round 6-under-par 66 for a 269 total that beat Rocca by two strokes. Rocca has shot a course-record 64 on Saturday to hold the lead after three

rounds. Woosnam was one shot back. Woosnam, who moved up from 10th to fourth place in the cup standings, said. of five minutes.

Rocca posted a 69-271 to finish one stroke more at the 8th, 9th and 12th holes. and I'm really tired."

ahead of José Maria Canizares of Spain, who closed with a 69 Two Irishmen tied for fourth, Ronan Rafferty shooting 68 and Darren Clarke 70 lor

The most crucial bole for Woosnam was probably the 6th where, after hitting his ball into the heavy rough on the right, he found it with only 30 seconds left of his search limit

"Now I can miss the German Open next week. I've played eight of the last 10 weeks Rocca, and Woosnam, who had already made three hirdie putts by then, sank three

 Phil Mickelson led going into Sunday's final round of the International at the Castle Pines Golf Club in Castle Rock, Colorado. Mickelson, who started Saturday's raindelayed round with 18 points, got another 11 to raise his overall total to 29 under the

Stableford scoring system. Phil Blackmar was in second place, three points behind Mickelson, after recording live points.

The third round of play was delayed by rain for I hour, 46 minutes.

Second-round leader Mark O'Meara scored one point and had 23 points for the tournament. Scott Simpson, who got eight, was tied with O'Meara.

The International is the only PGA event that uses the modified Stableford system. Players are awarded eight points for a double eagle, five for an eagle, two for a birdie and none for a par. They are docked 1 point for a bogey and 3 for a double bogey or (UPI, AFP)

Tennis Star's Father Denies Abusing Her

ST. PETERSBURG, Florida - Jim Pierce, the father of tennis star Mary Pierce, has denied allegations made by his daughter in a magazine article that he physically abused her.

United Press International

Mary Picroe was quoted as saying in the current issue of Sports Illustrated that Jim Pierce often struck her after losses or bad practice sessions, and drove her to the point where she was forced to hire

bodyguards for protection. Jim Pierce has often acted up at tournaments and fought with officials and parents of rivals.

Mary Pierce told the magazine that she feared for her life and was forced to file for restraining orders to protect herself.

"That's not true and Mary knows it," Jim Pierce told the St. Petersburg Times. "Why would she say things like that? I've grabbed her and shook her sometimes, but I've never hit her."

Pierce said he swung at his daughter once and hit her glasses but denied mistreating her.

Last month, Mary Pierce severed her relationship with her father, who was listed as her coach.

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177 and Mactariane; Jean, Assenmacher 18

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17r, Echerslev 191 and Hemondr Doherty,
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Leibrandt Drever 141. Lefferts (7). B. Parlerson 181 and Rearleyez: Aussina, O'Danderson 191. Frohwirth 171 and Parent.

W.—Karsina, 12-4, L.—Leibrandt, 9-9.

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Allanto

Chicaso

Chicaso

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N.R.yar. Bobanan 14), Whiteside (6), Carpenter 181, Hené e (9), Lefteris (131 and Rodriguez: McDanaid, Williamson 17t, Poole 18),
Millis 191 and Porent, W—Millis, 3-1, L—Henks,
5-4, HFS—Texas, Franco (13), Ballimore,
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Higuera, Hovaa 14t, Marysyy 181 and Nilsson; Holzemer, Lieton 17t, K-porterson 181
and Tingley, Myars 19), W—Potterson, 1-1,
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Berryhill 191; Harkov, Boutista 171, Piesoc
181, Boskie 161 and Wilkins, W—Freeman, 2-6
L—Piesoc, D.I. S—McMichael 191, HR9—AJonto, Babasser 1121, McGrill 1281, Lopez 111.

anto. Blouser 1121, McGrill 1261, Lopes 111. | locate, Saturer | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120

pos. W—Astocia, 16-7, L—Product V—Astocia, 26-16 (111.
Palladebaho 851 608 801 6—2 6 1
Houston 18 809 100 1—3 16 0
(10 lanknow)

Mulholland, Thignen (81, Andersen (91, West (18) and Daulton; Orabet, D.Jones (9) and Servats, Toubersee (71, W—Jones, 4-9, L—Andersen, 3-2, HR—Houston, Servats (11).



EYCLING &

ZURICH CLASSIC
Resetts Sunday in the 2393-Idiometer (150mile) race between Basel and Zurich: 1.
Mourizia Fandriest, Italy, 4 hours, 21 minutes
and 38 seconds; 2. Charly Mattel, France, 5.1;
Bruno Censhialta, Italy, 5.1; 4. Jens
Heppner, Germony, 5.1; 5. Santos Hernandez. Heppiner, Germony, S.D. S. Salman Interpreted Sports. 3.1.

6. Stetano Dello Sonta, Tatv. 12 seconds behind: 7. Claudia Chiappucci, Italv. at 47: 8.

Alberto Etil, Talv. 51: 9. Scatt Sunderland,
Austrolla, S.L.: 18. Maximilian Sciandri, Italy.

3.1.

Overall Standings (after eight roces): 1.

Mourizio Fondriesi, 194 points; 2. Maximilian
Sciandri, 89: 2. Johan Museeuw. Belolum, 89:
4. Claudio Chiappucci, 80: 5. Franco Boltefini.
Halv, 73: 6. Rolf Sorensen. Denmark, 89:
Jers Heopner, Germany, 51: 8. Gilbert Ouclas-Lassalle. France, 50: 8. Rolf Jaermans.
Switzerland, 58: 8. Alberto Volei. Halv, 50.

ATHLETICS = OTH MAR WORLD CHAMPIONSHIPS

IO STATISMENT
MEN'S DECATHLON FINAL STANDINGS MEN'S DECATHLON FINAL 3 1
1, Dan O'Brien, United Stofes, 62
2. Eduard Hamaiainen, Belorus,
1. Paul Meles, Germany, 854
4. Christian Schenk, Germany, 854
5. Aloin Blondel, Franca, 844
6. Christian Plezial, Franca, 838

4. Christian Schenk. Germany. 2009
5. Alpin Blondel, Franca. 2004
6. Christian Plaziat. Franca. 2004
7. Steve Fritz. United States. 2320
9. Alichael Kahale, Germany. 2005
18. Tamas Dvarak. Czech Resubilic. 2002
MEN'S SHOT PUT PINAL.
1. Werner Guntinor, Switzerland. 71.97 metres
2. Rondy Barnes. United States. 20,30
4. Alice Stutics. United States. 20,30
4. Alice Stutics. United States. 20,30
6. Drogon Peric. 1wt/ (Yugoslaviat. 19.95
7. Gerl 1wtel, Chile. 19.95
8. Sven Buder. Germany. 19.74
9. Jonny Reinhardt. Germany. 19.53
10. Kevin Toth. United States. 19.52
MEN'S STEEP LECHASE FINAL
1. Mages Khotoni, Kanya, Britista 94.30 sec.
2. Potrick Sons. Kerrys. 9:59.53
1. Alessandro Lambruschill. Italy. 9:08.78
1. Matthew Birir, Kerys, Britists.

2. Potrick Sons. Kerva. 6:83.33
2. Alessandro Lambruschini. Italy. 6:08.78
4. Matthew Birtr. Kenya. 8:89.42
5. Mark Crophon. United States. 8:09.76
6. Steffen Brond. Germany. 8:15.33
T. Larti Khottobi. Maracco. 6:17.78
8. Angelo Carasi. Holy. 8:23.42
7. Shoun Creighton. Australia. 8:25.88
WOME6'S 10,806-METER PINAL
1. Junxia Wang. China. 31:12.55
2. Teclo Larupe. Kenya. 31:29.91
4. Lynn. Jeminos. United States. 31:30.53

Lynn Jennings, United States, 31:30.53 Conceioso Ferreiro, Portugol, 31:30.60 5. Conceicos Perreiro, Portugol, 31:303

6. Albertino Dios, Portugol, 31:303

7. Amie Morie Letko, United States, 31:37:26

8. Ulo Picois, Germany, 21:39:47

9. Fernando Ribeiro, Portugol, 31:40:51

18. Carmen Da Oliveiro, Brazil, 31:47:76

WOMEN'S TRIPLE JUMP, FINAL

Am Blenshow, Fuscal, 15:99 metres, World

2 Yolanda Chen, Russia, 1470 1 iva Prondzhevo, Butsario, 1423 4 Niurka Montolvo, Cubo, 1422 5 Heloa Rodike, Germany, 1419 6 Antonello Capriotti, Italy, 1418 7, Sarka Kossorkovo, Czech Resubil 8, Urszula Wiedurczyk, Paland, 13.86 9, Michelle Griffith, Britain, 13.69 18, Jelena Biazevica, Latvia, 13.57

WOMEN'S HIGH JUMP FINAL 1, Ioannel Guintera, Cuba, 1,99 metres 2, Silvia Costa, Cuba, 1,97 3, Sterid Kirchmonn, Alistria, 1,97 4, Yelene Rodina, Russla, 1,94 4, Galina Astatel, Pomenia, 1,94 6, Antonella Bevilacqua, Italy, 1,94 7, Tanya Hughes, Ueltad States, 1,91 8, Volentina Gotovska, Latvia, 1,91 9, Katarzyna Malchrzak, Polond, 1,98 9, Hasse Hougland, Norsety, 1,98 11, Svettoma Zadevskaya, Kacakstan, 1 11, Yelang Toochina, Russla, 1,86 MEN'S 56-KILOMETER WALK FINAL Jesus Angel Garcio, Spain, 3 hours, 41 min.

41 Sec. 2, Volerin Kononen, Finland, 3:42:92 2, Volerin Soilsyn, Russka, 3:42:59 4. Azel Nosck, Germany, 3:43:59 5. Basillo Labrodof, Sooin, 3:46:46 6. Rene Piller, France, 3:46:57 7. Tim Berrett, Canada, 3:59:23 6. Crastos Merchandt, Mexico, 3:50:53 Costos Mercenaria, Mexico, 3:50:53 Jean Claude Corre, France, 3:51:51 WOMEN'S 1.500-METER FINAL

1. Deng Liu. China. 4 minutes 00.50 seco 2. Sanid O'Sullivan. Treland. 4:03.48 3. Hassiba Boulmerka. Algeria. 4:04.29 3. Massiba Boulmerka, Algeria, 4:04.29
4, Yi Lu, China, 4:06.96
5. Angela Cholmers, Canada, 4:07.95
6. Theresia Kiesi, Austria, 4:08.04
7, Anna Brazzinska, Potand, 4:08.11
8. Fosia Trabolda, Italy, 4:08.23
7, Yloleta Beclea, Romania, 4:08.57
10, Wel Yan, China, 4:09.05
MEM'S 409-METER RELAY FINAL
1. United States i Jon Drumanond, Andre Coson, Kevin Mitchell, Leroy Burrelli, 37.48 seconds 2. Britain : Calin Jackson, Tony Jarrett.

 Conodo, (Robert Esmie, Gleerov Glibert, Brunv Surin, Altee Mohanni, 37,83
 Cubo (Andres Stroon, Ivan Garcio, Joel Isasi, Jore Agulleral, 38,37
 Australia (Paul Henderson, Damier Marsti, 1868) poblanco. Tim Jackson), 38.67 pry (Marc Blume, Robert Kurnicki.

L Germany (Marc Blume, Robert Kurnick) Michael Huke, Steffen Gormert, 18:78 , Ivory Coast (Quattera Lapazane, Jean-Oil-vie Zirianan, Frank Waata, Ibratiim Meitel,

Erikston, Luar II. 2001, 39.22 WOMEN'S 400-METER RELAY FINAL 1, Russio (Olgo Bogoslovstoyo, Golino Mai-chugino, Natolya Voronova, Irina Privalava),

nupina, renerya vocanova, irina Privalava), ILAP seconds L'United States (Michelle Finn, Gwen Tar-4) AV SCARGO

2. United States (Michette Finn, Green Torronce, Wendry Verreen, Gail Devers), 41.47

3. Jamaico, (Michette Freenas, Juliet Campbett, Nicole Mitchelt, Martene Ottey), 41.52

4. France, I Patricia Girard, Oddo Sidile, Voierie Jean-Charles, Marte-Jose Persci. 42.67

5. Germony (Andrea Phillipe, Bertina Zios,
Silke Knott, Melanie Paschies), 42.79

6. Cuba (Mirtom Ferrer, Ideatnie Bonnes, Julio
Duporte, Lilliana Allen), Cuba, 42.69

T, Finland IAnn Piritimaa, Siske Hankijeki,
Sanaa Herneshiemi, Maria Solmeia), 42.37

8. Britain 1Marcia Richardson, Beverly
Kinch, Birmenne Jacobs, Paula Thomas),
42.86

MEN'S 1,580-METER FINAL 1, Noureddine Mercell, Algeria, 3 minutes 1. Neureddine Morceli, Algeria, 3 m 14.24 seconds 2. Fermin Cocho, Spoin, 3:35.56 2. Abott Bile, Semello, 3:35.56 4. Moberned Suleimon, Gator, 3:36.87 5. Jim Selvey, United States, 3:37.41 5. Roshid El Basin, Morocco, 3:37.48 6. Mohamed Told, Morocco, 3:37.65 5. States i, Mohamed Taki, Moracca, 3:37.8 B. Mohamed Taki, Moracca, 3:37.6 D. Simon Dovie, Australia, 3:38.04 IO. Rudiger Stenzel, Germany, 3:38.

MEN'S 10,000-METER FINAL 1, Halle Gebresikasie, Ethiopia, 27 min. Anoses Tonul, Kenya, 27:46.54
2. Richard Chelimo, Kenya, 28:04.02
4. Stephane Franke, Germany, 28:10.49
5. Alois Nizisama, Burundt, 28:13.43
6. Francesco Ponetha, (toly, 28:27.05
7. Todd Williams, United Stotes, 28:30.49
6. Antonio Silko, Arsentino, 28:23.04
9. German Silva, Mexico, 28:39.47
10, William Sloot, Kenya, 28:54.39

WOMEN'S JAVELIN FINAL

1. Trine Hotiestod, Norway, 49,18 metres

2. Koren Forkel, Germany, 65,80

Mathematical States and 4. Torrond Shikolenko, Belarus, 62,18
5. Yekolerina trakina, Russia, 65,12
6. Silke Renk, Germany, 64,00
7. Craudia Isalia, Romania, 61,54
6. Felicia Tilea, Romania, 61,24
9. Sieffi Nerius, Germany, 60,26
10. Antonicia Selensko, Bulzaria, 58,82

MEN'S HIGH JUMP FINAL

1. Javier Solomoyor, Cuba, 240 metres

2. Artur Portyka, Poland, 237

3. Steve Smith. Britothia, 237

4. Raif Sona, Germany, 234

5. Troy Keina, Bahamas, 234

6. Holils Conwidy, United States, 234

9, Tim Forsyth Austrolia, 228 18. Otes Zhukovskiv, Belarus, 228

WOMEN'S 1,600-METER RELAY FUNAL 1, United States, 16 wen Torrance, Natasha Kalser-Brown, Jearl Miles), 3 minutes 16.71 2 Russia | Yeleng Ruzina, Tatyana Alek seyeva. Margaril Ponomarya lova). 3:18.38 1. British

lova). 3:18.38
3. Britain (Linda Keough, Phylis Smith, Tracy Goddard, Spilv Gunnellt, 3:23.47
4. Jameica | Deon Hernmines, Inex Turner, Judief Campbell, Sandia Richards). 3:23.87
5. Germany (Helike Meissner, Sandra Seuser, Ania Rucker, Linda Kisabakat, 3:23.67 6. France (Elsa Devassaigne, Evelyne Elle Francine Landre, Marie-Louise Bevis 3:27.08
7. Czech Republic I Nodezdo Kos

7, Czech Republic I Nobezu Austruatus Helena Dziurova, Hona Benesova, Ludmilla Formonovat, 3:27.94 8. Switzerkand, I Marquilla Britiante, Re Zurcher-Scotobrin, Helen Burkuri, Kotkrin Luthili, 3:28.52 MEN'S 1,600-METER RELAYS FINAL

Worts, Butch Reynolds, Michael Johnson), 2 minutes 5429 seconds World Record 2. Ketva (Kennedy Ochlens, Simon Kensol, Abedrego Maillu, Sorrson Kiterl, 2:59.82 3. Germany (Karsten Just, Rica Lleder, Otof Hense, Thomas Schonleby), 2:59.99 4. France Llocauss Forroudiere, Pierra Moriel Hilotre Olivier Notrol, Jean-Loois Rappoult, 3:00.09

do (Dminty Kilger, Dmitrly Kosov.)

SOCCER DITCH FIRST DIVISION

DUTCH FIRST DYVISION
Combaur Leasworden 1, Brade 3
Roda JC Kerdrode 2, FC Volendom 6
Sports Rotterdom 1, Willem (1 Tilburo 8
RKC Woodwijk 1, FC Twente Enschede 3
FC Uirscht 1, Alox Amsterdom 4
FSV Eindhoven 1, Deventer 8
Stendines: Alox Amsterdom 4
FSV Eindhoven 1, Deventer 6
Stendines: Alox Amsterdom 4
FSV Endhoven 2, Ferdenord 2;
Twente 4; Vitesse Arnhem, 2; Ferdenord 2;
Heerenven, 2; Bredo, 2; Soorta Rotterdom, 2; Wilsen 11 Tilburs, 2; FC Volendom, 1; FC
Uirscht, 1; FC Groningen, 9; Moostricts, 0;
Vente, 9; Combour Leasworden, 9; RKC
Woodwift, 8; Deventer, 0,
ENGLISH PREMIER LEAGUE
Blockburt 1, Oldmom 6

Blockburn 1, Oldham 0
Coventry 1, West Ham 1
Everion 4, Sheffleld United 2
Ipswich 1, Chelseo 0
Leeds 6, Narwich 4
Manchester United 1, Newcostle 1

Manchester United I. Newcostle 1
Queens Park Rangers 2. Sauthampton 1
Sheffleid Wednesdov 8. Arisena 1
Teitention 1. Manchester Chy 9
Wimbledon 2. Asian Villa 2
Saindon 8. Liverpool 5.
Biondines: Liverpool 9 points; Everton 97
Inswich, 91 Manchester United 7; Caventry, 7; Norwich, 6; Biockburn, 6; Tottenham, 6; Arsenal. 6; Astan Villa, 5; Wimbledon, 5; Leeds, 5] Sheffleid United, 3; Oldman, 3; Queens Park Rangers, 3; Cheise, 1; Newcostle, 1; Manchester City, 1; West Ham, 1; Sheffleid Wednesdoy, 1; Southampton, 6; Swindon, 9

GERMAN FIRST DIVISION GERMAN FIRST DIVISION
Coloure 2. Korismie 1
Briste Moenchenglich 2. FC Nuremberg 8
Hamberg SV 4. Scholke 1
Borusta Dorimund 3. SC Freiborg 2
MSV Dulsburg 2. VEB Statison? 2
Elotrocht Frankfurt 1. Kolsenslautenn 6
Bowern Annich: 5. Dynamo Dreadon 8
Slandissa: Werder Bramen, 5: Beinracht
Frankfurt, 5: Boyer Leverkusen, 5: Bowern
Musich, 4: Hombors, 4: Kolsenslautenn, 4:
Borussia Dorimund, 4: Dulsburg, 4: Freiburg, 2:
Korismine, 2: Waltenschedig, 2: Colours, 2:
Berussia Maenchengladbach, 2: Nuremberg,
2: Scholka, 2: Lebusa, 1) VEB Suttgart, 1)
Dynamo Dresden, 1.

HING Dresden, 1. First Leg Aktonis B. Portizoni B ITALIAN SUPER CUP AC Allian 1, Torino U WORLO CUP QUALIFIER

FOOTBALL

NFL Preseason

Friday's Games
New England 21, Green Boy 17.
Defroit 38, Cinclanoft 17
Indiposobilis 18, Los Angeles Rolders 7
Denver 34, Mitanil 24
Saterday's Games
Houston 23, Dollas 29
Cleveland 27, Los Angeles Roms 10
Tango Bay 32, Buffalo 12
New York Glaris 14, New York Jets 13 New York Glents 14, New York Jets 13 Korsos City 27, Minnesoto 20

SIDELINES

France, Sweden Tie in Cup Qualifier STOCKHOLM (AP) — Martin Dahlin salvaged a point for Sweden in a European Group 6 World Cup soccer qualifying match Sunday against France by scoring the the tying goal with two minutes to go.

The French team, which had beaten Sweden, 2-1, at home last April, took the lead in the 75th minute on Frank Sauzee's powerful shot from close warms.

The draw kept Sweden and France atop the group standings with II

points each after seven matches, two points ahead of Bulgaria.

NCAA Penalizes Washington Football

MH LBRAE, California (UPI) — The NCAA announced Sunday that the University of Washington's football team will be put on probation for two years, making the Huskies ineligible for the Pacific-10 title they have won the past three seasons.

The Huskies will be prohibited from competing in any postseason bowl games following both the 1993 and 1994 seasons. As conference champion, Washington has been to the Rose Bowl three years in a row.

The NCAA found that the Huskies violated several rules, including improper loans, free meals and money paid to student-athletes.

For the Record Leslie O'Neal, the defensive end who led the AFC with a career-high 17 sacks last year, signed a three-year contract with the San Diego Chargers.
Terms weren't announced, but O'Neal reportedly was seeking \$3 million

Terry Allen, who rushed for 1,201 yards and 15 touchdowns for the Minnesota Vikings last season, is out for the year after undergoing

reconstructive knee surgeryreconstructive knee surgeryQuarterback Jeff George ended his contract holdout and reported to
the Indianapolis Colts, having accumulated \$144,000 in fines during his
(UPI) Chana Porpuoin of Thailand fought off Filipino challenger Ronnie
Magramo to retain his WBA strawweight title with a unanimous decision

Julio Cesar Vasquez of Argentina defended his WBA super-welter-weight title with a 12-round decision in Monaco over Aaron Davis of the in Banekok United States.

Canadian League

CRICKET FIRST ORK-DAY INTERNATIONAL South Africa VI. 3ri Landon Southay, in Kondy, Sri Lanka Sri Lanka 179-5 (41.3 avers) Africo 52-4 (14 gyers)

SECTH TEST

RUGBY

VOLVO INTERNATIONAL TOURNAM wolvip international Tournament in New Hoten, Connectical Specific Princis
Patr Kordu (4), Czech Ropublic def, Stefono Peabesolida, (boly.6-3, 6-3; Andre Ascast (19), U.S., def, (von Land) (2), U.S., 6-3, 6-4; Byron Block, Zimhobwe, def. Mork Woodforde (8), Austrolla, 6-3, 6-3; Andrei Medvedov, Ukruine, def. Jonos Svenspos, Sweden, 7-6 (8Marin to the world

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2

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Ang 2 Trans

To

Unutre, Det. Jones Symmoto Sandalon, 166, 1-6, 0-4.

Semificate Byten Block 6-3,6-17 Andre Medieder det. Accest, 7-6 (7-3), 3-6, 6-4.

U.S. HARDCOURTS CHARRIPONSHIP by Indiamonolis

le Indianapolis Gearlerfinals Patrick Roster, Australia, del. Pete Som-Potrick Ratter, Australia out Petropo-pera (1), U.S., 7-6 (9-6), 6-7 (3-7), 7-4 (7-5)) Luiz Morter, Brazilidel, Jimmy Aries, U.S., 8-2-6-2; Borts Becker (2), Germany, del, Richer Rene-Pera (11), U.S., 6-4, 6-3; Jim Courier (2), U.S., del, Cedric Piolina (7), Franca, 6-3, 6-4.

Sentification

Sentif Jim Courier det Luiz Matter 42 42. CANADIAN OPEN

CARADIAN OPEN in Terosto Georierimets
Sietti Graf (1), Germony, del Natiolia Torziet (12), France, 42, 7-5; Aronica Sonchez
Vicoria (2), Spalis, def. Anke Huber (7), Gerenony, 5-7, 4-2, 4-1; Jennifer Capriori (6), U.S.
del, Julie Holord, France, retirad, sore buck;
Manuela Maleovo-Fragniere (8), Switzerland, def. Mary Joe Farnandez (4), USA, 6-4,6-

Sentificula
Sterii Graf del. Manuela Maloeva-Frasniere 6-2.6-1; Jeanlier Caprioti del. Arantsa
Sanchez Vicario 7-6 (19-8), 6-2. Her Coorlest 6-1.0-6.6-2



THE KIDS HAVE KIDNEYS, DO BUGS HAVE BUSINEYS ?

JUMBLE BECAL WACAS FRASIA what the Royal Parent was Tempted to call His Nenborn Heir. CLINPE ### [[] [] [] % # [] [] [] ,

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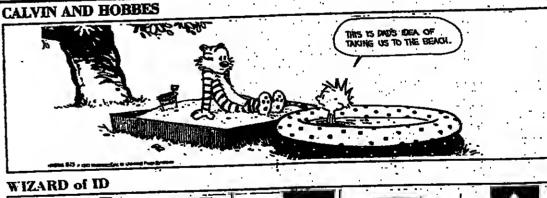
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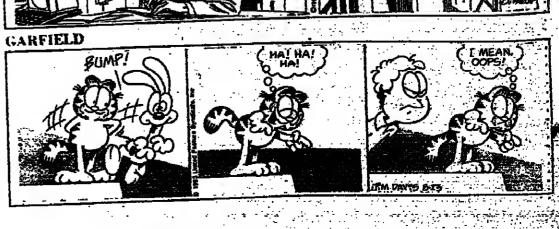




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SPORTS ATHLETICS

A Relay Record for U.S., a Public Redemption for Reynolds



China's Liu Dong setting the pace in the women's 1,500 meters, which she won handily on Sunday.

By Ian Thomsen

STUTTGART — What began eight days earlier with complaints about prize money ended Sunday with Michael Johnson running Ior everything but. He already was assured of the World Athletics Championship's standard \$30,000 strong, that really means a lot. I Mercedes, but he has never looked smarter than in the settling warmth of this late afternoon, his team- fourth World Championships in mates beckoning from the other Athletics salvaged whatever respect side of the clock, his long shadow

relay in a world-record 2:45.29 Ior was proved Saturday when the the U.S. team. Johnson's leg. of 42.94, was also the fastest ever, and he collapsed into the arms of An- Burrell ran the 4x 100 semifinal in drew Valmon and Quincy Watts; 37.40 seconds, tying the U.S.-set on two good shoes, Watts had bro-world record established in Barceken free and clear, handing an irreversible lead to Butch Reynolds on the third leg. This was the Reynolds of his own making, from the imagi-nation of his two years exile. He was Iar ont in front, alone, the was lar ont in front, alone, the thirst places were line thore than crowd was boiling over in world those won by the runners-up in record frenzy — that's how every golds. Surprisingly, that nation was child envisions it will be someday. Chima, on the legs of Dong Liu's victory in the women's 1,500 meson fell into his erms and the whole son fell into his arms and the whole thing came true.

Later, with the world's athletes gathered on the field for the closing ceremony, Reynolds was presented his gold medal by Primo Nebiolo. Nebiolo is president of the International Amateur Athletic Federation, which has been warring with Reynolds ever since he was charged with having failed a drug test in 1990, and Nebiolo presented a medal to ao other athlete. When Reynolds leaned down be was grabbed and kissed by Nebiolo on both cheeks.

By the greatest of coincidences, a J.S. court has ruled that Nebiolo's federation owes Reynolds \$27 mil-

olds, owner of the 400-meter world record since 1988. "He told me on Sunday, leader Moses Tanui of Keer," Gebresilasie said. "It was my the stand, "You've very strong, very strong. Hopefully we can come to some kind of agreement. I think this is definitely a vindication for me. For him to slap me on my face three times and tell me I'm very always refused."

was speechless and very touched."
This final weekend of these tics at the last Olympics, had fallen to a distant third (and there he would finish in 28:06.02) when the Americans might have lost in Tanui began the bell lap, his arms hinging to stay ahead of him. the individual sprints. En masse
He completed the 4 x 400-meter they remain the world's fastest, as the individual sprints. En masse flailing. Apparently the Ethiopian had given him what is known in the team of Jon Drummond, Andre Cason, Dennis Mitchell and Leroy shoe went sailing off like a hubcap as he sprinted madly into the pen-

> lona with Carl Lewis the anchor iast summer The United States won 26 medals, 10 more than the runner-up Russians, and the Americans' 13 first places were nine more than Kenya each woa three golds, though the Kenyans believe, just as they did at the last Olympics, that

they were robbed of victory in the

nya could be seen offering the lead tactics to lollow the leader all the to Haile Gebresilasie of Ethiopia. "Haile kept stepping on my shoes," Tanin complained. "I asked him to go ahead and take the lead, but he

Richard Chelimo, who felt victimized by the Moroccan team tacschoolyard as a "flat." Tanui's left

winner in 27:46.02. Afterward, Tanui picked up his left shoe and shook it at the Ethiopian like a time of 37.49 seconds. spiked club. An official Kenyan "We pressed too muc protest was rejected, just as was the one last summer.

"He stepped on my shoe ag with one lap to go," Tanm said.
"That's why I kicked the shoe off.
He stepped on my shoe because that was the only way he could beat me. I'm really angry."

"I'm very sorry that Tanvi lost

time. I always do that."

The United States won three relays Sunday, losing only the women's 4 x 100-meters in a photo-finish when Irina Privalova of Russia refused to give ground alongside Gail Devers. For the third time this week, women sprinters awaited their fate before the stadium's giant screen television as if it were a religious shrine. In this age it is, of course. It ruled that both teams had finished in 41.49 seconds, while the second-place Americans looked up warily, knowing there is no sense in arguing with the television.

Their male colleagues had hoped Grimacing with each step on his bare left foot, Long John Silver was then passed by Gebresilasie, the second leg by the 100-meter silver second leg by the 100-meter silver medalist Cason, but a series of bad handoffs limited them to a winning "We pressed too much," said the

anchorman, Leroy Burrell. "We vanted to break the world record, and that cost us some concentration. Our handoffs were nowhere near as good as they were yester-

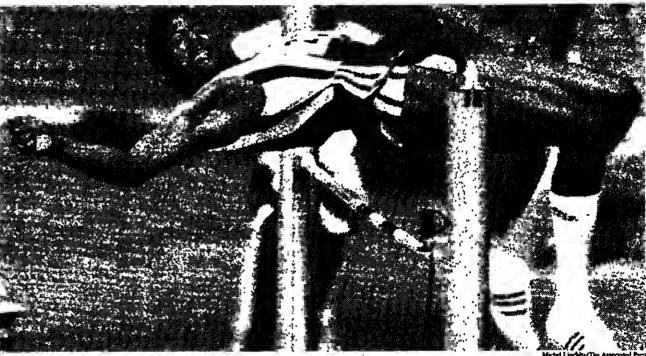
> Nonetheless, starter Jon Drummond ran his victory lap as if Mahammad Ali had taken over his

Irom Iwo Jima. On the victory stand, the second-place Britons danced up and down, mocking the

women's relay in a championship-14/2 seconds laster than the runnerup Russians. This race was decided by the time Gwen Torrence had finished her opening lap.

The last Chinese victory came when Liu and her teammate, Yi Lu, surged past bronze-medalist Has-siba Boulmerka of Algeria in the final lap. As someone with a flag tried to obstruct the hand signals of the Chinese coaches in the grandstands, Lu was quickly passed by silver medalist Sonia O'Sullivan of Ireland, whose time of 4:03.48 was no match for Liu's personal best of

World-record holder Nourredine Mourceli of Algeria, having decidmeet after successful negotiations with the IAAF, won the 1.500 meters without stress in 3:34.24. The high jump was won easily by the world record holder, Javier Soto-mayor of Cuba, with a leap of 2.40 meters (7 feet, 4.58 inches), and the women's javelin title went to Trine Hattestad of Norway with a throw



Javier Sotomayor on his way to victory in the high jump, Cuba's third high jump medal after gold and silver

Women Jumpers' Strong Debut

Not Guilty Plea Seen in **Jordan Case**

FAYETTEVILLE, North Carolina — The attorney for one of two North Carolina teenagers charged with the murder of James Jordan. the father of Chicago Bulls star Michael Jordan, has said his client

will plead not guilty. Hugh Rogers, who represents 18ear-old Larry Demery, told ESPN Radio on Saturday night that he was trying to corroborate a report that other individuals may have been involved in the July 23 slay-

"Information exists that a group of individuals were seen nilling around the vehicle of Mr. Jordan," he said. "I understood from that information that . . perhaps it was a group larger than two

individuals.
"In addition, I have received information that perhaps some indi-viduals had been seen fleeing from the scene of the crime prior to the time that my client allegedly came upon the scene.

Demery and Daniel Andre Green were ordered held without bail last Monday pending a hearing on Sept. 3. A county judge appoint-ed the public defender's office to represent Green.

Demery and Green, who also is 18, were charged with first-degree murder, armed robbery and conspiracy to commit armed robbery. If convicted on the murder charge, the two teenagers could face the death penalty under North Caroli-

County officials said they would seek the maximum penalty. Authorities said they think they know which man pulled the trigger, but have not disclosed that informa-

Earlier Saturday, Michael Jordan spoke to the media for the first time since the killing. Jordan declined to answer questions about his father, limiting his statements estions about to the charity golf tournament he is attending in Leesburg, Virginia.

"I'm here enjoying myself," he said. "I'm glad to be around good

riends. I'm doing fine. I've got to move forward. My wife has been very supportive. She hasn't let me out of her sight." Jordan issued a statement Thurs-

day through his agent, David B. Falk of Washington, saying he was "disturbed" and "outraged" by the media's handling of his father's

LAAF Halves Krabbe Ban To 2 Years in Drug Case

STUTTGART - The International Amateur Athletic Federation, cutting its original punishment in half, on Sunday banned German sprinter Katrin Krabbe for two years Ior bringing the sport into disrepute, track sources said.

The IAAF had said earlier in the day that its council had discussed several disputed drug cases, including Krabbe's, but that details would not be officially released until Monday. The IAAF's president, Primo Nebiolo, said that he didn't want to divert attention from the last day of competition at

the world championships. Krabbe, winner of the 100 and 200 at the 1991 championships, was suspended for four years after failing an out-of-competition drug test last year.

In contradiction of IAAF sanctions, the German federation DLV reduced the suspension to one year. The DLV said it had no provisions for out-of-competition testing in its own rules and that German courts don't accept a four-year ban. In May, the IAAF Council said Krabbe would

remain suspended until it decided whether the case needed to go to arbitration. The German federation has been pushing the

IAAF Council to make a final decision or take the case to arbitration. The avoid arbitration, the council decided to suspend Krabbe for two years for bringing the sport into disrepute, but not on doping charges. No arbitration can be called in case an athlete is

suspended on disrepute charges, said the sources,

who spoke on the condition of anonymity.

compete at the 1995 World Chapionships in Gote-borg, Sweden, just as she missed the worlds that ended Sunday in Stattgart. As of Sunday, three positive drug tests had been

announced at the Stuttgart championships. The latest involved Olympic discus champion

Romas Ubartas of Lithnania, who finished lourth here. The IAAF said he tested positive lor the anabolic steroid boldenone and Iaced a four-year

and 800-meter runner Lilia Nurutdinova of Russia also faced four-year suspensions after testing positive for the anabolic steroid stanozolol. Three other doping cases were on the IAAF

council's agenda.

John Ngugi, the five-time world cross-country champion from Kenya, was banned for four years after refusing to submit to an out-of-competition test earlier this year. The Kenyans are pressing for an arbitration bearing in the case.

Iris Biba, a German 10,000-meter runner, is contesting a drug ban on grounds of "exceptional circumstances," said Istvan Gyulai, the IAAF's

So is Russian hurdler Lyudmila Narozhilenko, who claims that her estranged husband put steroids into her prescribed medication.

"Usually if a person outside your knowledge gives you something this is not regarded as excep-tional circumstances." Gyulai said.

Five Medals in Track Cycling Give Australians a Pretty Fair Advance

HAMAR, Norway - Australia recorded its best medal baul in the 100-year history of the world cycling track championships, taking its tally after Sunday's final day to three golds and two silvers.

No other nation gained more than one title from the 11 championships, which were decided over six days on the 250-meter wooden track in the Olympia Hall.

Gary Neiwand led the way with victories Friday in the sprint and Saturday in the keirin, the Japa-nese-inspired, motorcycle-aided event, to go with the gold won by his country's 4-kilometer team pur-

But the Australians had to settle

Chiappa, who gave Italy its third tandem title in four years.

The bronze went to Arnost Dremanek and Lubomir Hargas of the Czech Republic without a rideoff: Germany Emanuel Rassch and Markus Nagel were disquali-fied Saturday for deliberately caus-ing a crash in their semifinal against Australia.

Etienne de Wilde, a 35-year-old Belgian who has twice won stages in the Tour de France, won the 50kilometer points final Sunday. He said: "I did not ride the Tour de France this year so I had re-

serves for this race. I had a lot of heip from my team mate Gunter de Winne and a few friends who had no chance of winning De Wilde was one of six riders

Federico Paris and Roberto points clear of silver medalist Eric pics.

Magnin, of France, with the bronze going to Vasili Iakovlev of Ukraine.

Jens Veggerby took the motorpaced championship by finishing second in the first leg and winning the second. It was Denmark's first world track title since 1987.

Roland Konigshofer of Austria was second and Carsten Podlesch of Germany third.

The Norwegian track has produced six world records inside five weeks, including one-hour and 4kilometer pursait marks by Graeme Obree of Scotland, but it is being dismantled on Monday.

The 56 kilometers of planking that make up the track surface will But the Australians had to settle for silver on Sunday when Stephen who lapped the field with 69 of the Pate and Danny Day failed to hold to laps to go. He finished nine events at next year's Winter Olympia.

STUTTGART - Ana Biryukova of Russia became the first woman to break 15 meters in the triple jump when she set a world record of 15.09 in win the gold medal at the championships on In other events Saturday, Chi-

na's women dominated another distance race, the 10,000 meters, the medals in the 3,000 meters. with a gold-silver finish: Kenya's men came in I-2 in the 3,000-meter steeplechase; Cuba's women high jumpers gave their country its first medals of the championships, a gold and a silver, and Werner Gunthor of Switzerland won the

men's shot put.

The Russian triple jumper, Biryukova said beat the previous record holder, her teammate and training partner Yolanda Chen. "It still hasn't sunk in. I'll need a

few days to realize what hap-Biryukova said. Chen had set the old mark of 49 30 seconds. 14.97 on June 18, in Moscow.

Zhong took the early lead in the race, taking Wang, Barsosio and Tecla Lorupe of Kenya, who inshed fourth, in her shpstream. "I was erratic in my approach. I am aot happy with the silver but I am happy for the coach," Chen Chen and Biryukova are both coached by Vladimir Plekhanov.

Chen took the silver at 14.70,

while Iva Prandzheva of Bulgaria. in her first year of triple jumping. clinched the bronze with a jump of 14.23. This was the first time the women's triple jump has been held at a major championship.

Saturday.

The aew era began tonight when Ana went over 15 meters," Chen said. "This is where the event

pable of doing 6.70 meters should be able to do about 15 in the tri-

Meantime, 18-year-old Wang Junxia dominated opposition to win the 10,000 meters ahead of Zhong Huandi, China's second 1-2 finish in the women's distance events. The Chinese had swept all

Selina Barsosio of Kenya took the broaze in the 10,000, despite being warned for pushing during a chaotic opening to the race.

After finishing third, Barsosio was first scrapped from the official results for shoving favorite Elana Meyer of South Africa. But she was

later reinstated and her initial disqualification was called an error, IAAF spokeswoman Jayne Pearce Wang ran away from the pack with about 2.5 kilometers in go and

finished 150 meters ahead of her compatriot in a time of 30 minutes,

During some early shuffling, Barsosio appeared to push Meyer, who later abandoned the race, "It wasn't the right decision to give up. But I've been pushed each round. It was terrible," Meyer said.

Barsosio also complained.
"There was a lot of pushing going
on," she said. "The Chinese were pushing from both sides."

Calling Barsosio's initial disqualification a "collective error,"
Pearce said that the warning had

disqualification, causing officials to drop her from the result. She said there had been no pro-

Barsosio from the bronze medal position. In the men's steeplechase, Moses Kiptanui won the gold medal ahead of fellow Kenyan Patrick Sang, a repeat of the linish at the

pionships in Tokyo. Kiptaani posted a time of 8:06.36, the fastest time in the world this year. "I knew I was go-ing to win," Kiptanui said. "I went to the front, I controlled the pace. I didn't want a slow pace because I knew that my teammates are fast in

the last 200." Sang, the Olympic silver medalist, took the silver again, in 8:07.53. "I came here not for silver but for gold, but I knew my friend would be very tough to beat," Sang

Alessandro Lambruschini of Italy captured the broaze in 8:08.78, a personal best, and prevented a Ke-

avan sweep. Cuban finish in the women's high jump by clearing 1.99 meters, and then dedicated her victory to Cuben leader Fidel Castro.

Silvia Costa took the silver at 1.97. "It was a nice double for Fidel," Quintero said. Sigrid Kirchman of Austria cap-

tured the bronze by also clearing 1.97, a national record and a per-

Asked what she will do with the Mercedes car given to all gold med-alists at the World Championships,

"I haven't made the decision yet, but I'd like to keep it if possible; there are not too many Mercedes

cars in Havana." Gunthor, the Swiss, captured his third consecutive shot put title with a winning throw of 21.97 meters. Gunthor, who won his previous titles in 1987 and 1991, recorded his winning toss in the first round of

the competition.
Randy Barnes of the United States, the world record-holder at 23.12 who's coming off a two-year suspension after testing positive for doping in 1990, finished second at 21.80.

The bronze medal went to Olympic champion Mike Stulce of the United States at 20.94.

Also Saturday, Jesus Angel Gar-cia held off a late charge by Finland's Valentin Kononen to win the 50 kilometer walk, clinching a double for Spain in the men's walk-

ing events.
Russian Valery Spitsyn took the bronze.

Competing in sweltering heat, with temperatures reaching 27 de-grees centigrade (81 Fahrenheit) and bumidity at 60 percent, Garcia finished the race in 3 hours, 41 minutes and 41 seconds. It was the best time of the year. Konoaen finished 21 seconds back.

Garcia said he would give his Mercedes prize to his father, a taxi The defending champion, Alex-

ander Potashov of Belarus, was disqualified for running during the

UCI Studying 2 Tours for Cyclists

HAMAR, Norway — Leading cyclists such as the three-time Tonr de France winner Miguel Indurain could be separated Irom their less successful colleagues in a new circuit of elite races, the International

Cycling Union said Sunday.

The UCI is studying the possibility of splitting the current crowded program of professional racing which runs from February The big teams would contest the major tours of France, Italy and

Spain, the World Cup series and some other races, while other teams would have their own "second division." "It is quite revolutionary, and will have major consequences," said Hein Verbruggen, the Dutch president of the UCI. "However we are only just beginning to work on the plan. It could be 1995 or '96

before anything is implemented."

There would probably be a points system, but the current ranking system would still be separate," Verbruggen said.

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Genet: Retracing Steps on a 'Path of Sin'

PARIS — Outcast and literary lion, an invert who literally inverted traditional morality (his cardinal virtues were homosexuality, theft and treachery) Jean Genet claimed that his life had its own form of sanctity: "It leads to heaven by the path of sin." He left school at 13. was frequently arrested from 1925 to 1943, became the subject of books by Sartre and by Derrida, who found his

MARY BLUME

lucidity frightening, and in 1983, three years before his death, was awarded the French government's Grand Prix des Arts et des Lettres which he did not trouble to fetch, sending instead, according to a Paris newspaper, "a su-perb black man 15 years old," He is buried in Morocco, in a tomb vandalized soon after his death.

Jean Genet had remarkable powers of self-transformation," Edmund White writes in his new major biography. "Genet," published in London by Chatto & Windus and soon to appear in Germany, France and the United States. Himself a novelist known, like Genet, for his autobiographical fiction, White does not seek a logic in Genet's life, respecting the fabulist's stance. "There's probably not a single man who doesn't desire to become fabulous, on a large or reduced scale," said Genet whose scale was large. as is White's 800-page book.

"I think a lot of people who tackled Genet start off with the position that he was a big liar, they want to show the man behind the mask because they catch on quite quickly to the idea that the novels are not accurate as biography."
White says. "My strategy was different because I felt that since he never painted a pretty picture of himself in his books, if anything tended to besmirch his reputation, there was usually an artistic reason for changing things around.

White considers Genet, along with Celine, to be France's finest writer since Proust. While the received opinion is to prefer Genet's plays — "The Maids," "The Balcony," "The Blacks," "The Screens" — White's own

preference (and he says most present-day Genet scholars agree) is for the earlier prison-inspired novels. To me the plays are like Elizabethan plays, they're very rbetorical, they depend more on the beauty of the lan-guage than on action and I think audiences are dutiful

about them but don't like them very much. The novels emerged in an atmosphere of scandal and I think they still have an aura of pornograpby or scandal about them. But I think only now are people able to look at them as works of art, they we cooled off enough to be reevaluated. I find Genet unbelievably brilliant in his metaphor. In his use of language," White says, "He's a great poet. And like a lot of great poets in prose he doesn't write

very good poetry."

Genet was born in Paris in 1910 to an unwed mother who abandoned him. As a ward of the state he was sent to the Morvan area which, since its firewood industry had foundered in the late 19th century, lived from foster parenting, Although Genet never revealed the town be was raised in

(White manages to identify it) and liked to picture himself as a poor outcast, his foster family was comfortably off and kind. The boy was thought effeminate and sly but was a top student. Life began going awry when he refused to become a farm worker and ended in the notorious juvenile detention center of Mettray. Here he found sexual partners (he preferred usually-heterosexual men) and invented his aesthetic and hierarchic appreciation of evil and crime.



Genet at 16 in the Mettray juvenile detention center.

In thieves and murderers he argued, there is a deep beauty denied to others. To describe them he said he needed high literary language because one had to address the enemy in his own tongue and not in slang. While Genet wrote beautiful and ornamental sentences. White says that his letters by contrast are clumsy and flat.

"The novels are like inspired monologues but a letter is a civilized dialogue that is very controlled by convention. Genet badn't learned these conventions because be was basically a peasant boy. Jean Cau said Genet could never have written the beautiful limpid French of Queneau or Perec, that he could only have written in this crazy kind of Rube Goldberg French.

To escape from Mettray, Genet joined the army, deserted, wandered through Europe and embarked on a career of incompetent and very petry petry thievery. During the Occupation, in his brief periods out of jail, he sold books and showed his prison writings to Jean Cocteau, who launched him ("Everything is hateful and worthy of respect," Cocteau wrote of Genet in his diary.) Genet was soon a celebrity, too self-obsessed for his bead to be turned; his own transgressions perhaps seemed to excul-

pate other people's wartime sins. In the course of the years Genet met everyone from Queen Elizabeth of the Belgians to Jane Fonda and variously praised the Gestapo, Lee Harvey Oswald, and

Italian and German terrorisis. He systematically betrayed his friends—difficult, he admitted, but worth it—and his cult of treachery is one of his aspects that White found hardest to take.

"I was brought up a Christian Scientist and Christian Scientists don't believe in evil, they just start to laugh when people put on satanic airs, it seems ludicrous to us. But because of that I felt obliged to reinterpret both the urge towards treachery and the urge toward evil in a psychological way which I happen to think is right,"

if be had problems with Genet, White thinks Genet would have had even greater problems with him. "He didn't like Americans, he didn't like white people, he didn't like middle-class people, he didn't like writers, and he didn't like homosexuals. So on all five counts I would

Born in Ohio in 1940, White became famous for "A Boy's Own Story" (1982), the first part of an auto-fiction trilogy. The second part, "The Beautiful Room is Empty." came out in 1988, two years after the Genet book was commissioned. His publisher's description of "Genet" as a "perfect match of author and subject" suggests, rather demeaningly, that White's sexuality is his chief credential.

A founder of the Gay Men's Health Crisis and himself HIV positive, White is considered a marginal writer in the United States. In Paris, where he lives, he has been called the greatest American writer since Henry James. In Britain, where he is always described as charming, he says he is better known than Genet. "I say that in all modesty," he

The key text to Genet has traditionally been Sartre's "Saint Genet, Comedian and Martyr" (1952), to which White gives little space since Sartre never claimed it was a biography and it is more a study of Sartre than of Genet. White thinks that, with "Les Mots." it is Sartre's best book but describes it, appropriately, in terms of its effect on

Genet's claim that the book was to blame for his sevenyear writer's block is chronologically unsound, White says, but he thinks Sartre did encourage Genet, disastroustoward abstraction and away from anecdote. "It wasn't until he abandoned all that and turned to the theater that there was a genuine new beginning.

After the plays. Genet wrote little, delivering himself to the Black Panther and Palestiman causes. White's sugges-tion is that Genet's block and his passion for what White called the dispossessed of many lands was prompted in part by a presidential pardon in 1949 which ended his life of crime, "I wrote in prison." Genet said. "Once free I was

inevitably. White says, the third volume of auto-fiction that he is working on is influenced by Genet. "It seems to me that my story is rather mild compared to his—anything would, But I think one thing that is good is that Genet was a great risk-taker and I find I'm interested in taking risks in this new novel. I depend a lot more on charm than he does, I try to take the reader into my confidence, it's a strategy I feel comfortable with and I think it's more endearing to the reader than Genet's rather rebarbative and hostile style. But I am under no illusions

that I am as good a writer as Genet."
The new novel is called "The Farewell Symphooy" after the Haydn work in which one by one all the musicians get up and leave the stage, "Which," White says, "is the way one feels as a survivor in the age of AIDS."

LANGUAGE

Style War: English vs. Murkin

WASHINGTON — Whose English language is it, anyway? From the tone of the new "BBC News and Current Affairs Stylebook and Editorial Guide," you'd think the Brits invented it. With unmistakable disdain, the broadcastocrats in London call what we speak "American." As a user of Murkin English, I rise to the defense.

"English is a language that is constantly evolving," writes Tony Hall, British Broadcasting Corp.'s managing director of current affairs, "and we must recognise when change has taken place. That is a task that requires judgement. Hence this style book."

If he wants to spell recognize with an s or judgment with an extra e, that's O. K. (an Americanism) with me. But when he writes three times in his foreword about a style book, two words, when the book is titled stylebook, one word, he betrays a certain inconsistency. Gotta bethis or that; can't have it both ways. (The subjects in those clauses are it and you, both understood; I can those clauses are it and you, both inderstood; I can constantly evolve, too.) Both The Associated Press and The New York Times call their manuals of style style-books, without wavening; the new Columbia Guide to Standard American English calls itself a usuge book.

"In English," goes the BBC stylebook/style book (putting a comma after the "English"), " to look like means 'to resemble." In American' (the BBC means 'to resemble.

stylist inexplicably leaves out the comma after the stylist inexpirately extended and so to look likely. So Americans say: 'It looks like there'll be an election.' "
It pains the BBC that "this usage is slowly making its way into English"; the example given is "It looks like raining later." (Americans, and many Brits, would say, "It looks like rain later.") The BBC prefers looks as

though or looks as if to our looks like.

The real like as usage controversy, which the BBC fails to deal with, is the mistaken use of like as a conjunction, "like a cigarette should." The correct way. to introduce that clause is with as. The way to use like in comparisons is as a preposition requiring an object:
"Nothing improves the complexion like log."

After primly resisting the onslaught of American common usage on looks like, the BBC goes squishily descriptive on beginning sentences with conjunctions. And what's wrong with starting sentences with and."
Not a thing, says the BBC: "It may be wrong in grammar books. But it is an everyday occurrence. And it does not obscure meaning." We who labor in Murkin know that beginning a sentence with and can be an effective way of highlighting an afterthought, and beginning with but offers a stark contrast with the preceding thought. But we are on guard against stylistic choppiness. And two in a row is choppy (British

usage may prefer "two in a row are choppy").

The BBC cites George Orwell's maxim "If it is possible to cut a word out, always cut it out. A couple of pages later, we have "we allow for stylistic differences to take account of the fact that . . . " Orwell, revolving in his grave, would have cut to take account

of the fact that and substituted because. Some Americanisms add vigour and dynamic expression to the language ... teenager, babysitter, know-how, ginamick, stunt, commuter, blurb." (Gec. thanks; but why use an ellipsis instead of a colon?)

"But the BBC does not adopt Americanisms until they have become commonplace in good spoken English in this country. So we would draw the line [why the conditional would? Over goes Orwell again] at diaper, drug store, sidewalk, etc., at Americanisms which [sie] simply stretch words needlessly (transportation), and at the American habit of turning nouns into verbs (m

It has a good point on the unnecessary -ation tacked on transport. They join many speakers of Murkin in deploring hyperverbification, a noun coined at this very moment, based on the new verb hyperverbify. But

what of collective nouns like government, company, public? In this paragraph, I have referred to the BBC as a both u (singular) and they (plural); which is correct?

In Murkin, groups take the singular. The BBC is. In English, as the BBC restrictively calls its local dialect, you hear "the government have" or "the public are." That's their way, as they would put it, or its way, as we would put it we're both correct in our own hailwick would put it; we're both correct in our own balliwick.
And the BBC usefully adjutes its announcers to avoid
mixing singular and pharal pronouns in "felse concord." But the broadcaster quotes the usagists Fowler and Gowers as taking no position on whether collec-tives take singular or plural verbs, and then wimps out. (You can begin successive sentences with conjunctions if they're long sentences; doesn't sound choppy.)
Murkin says: Collectives collect, and the bunched-

up bunch is construed as singular. "Nouns that denote a unit take singular verbs and pronouns," decrees the AP Stylebook. But some plural words — bushels, data -become collective nouns when the group is taken as a unit. The data is sound is right when you are thinking of the data as a unit, but when you conceive of the data as individual items, you can say, "The data have been carefully collected."

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Murkins use that same sensible practice (we spell practice with a c) when it comes to none. When you mean "not one," it takes the singular: "none is." When you mean "not any," it takes the plural: "none are."
Form follows function; construe it the way you intend to, and don't let some cockamamic rule force you into saying what you do not mean. The New York Times stylebook has it right: "None. Construe as a plural unless it is desired to emphasize the idea of not one or no one — and then it is often better to use not one or no

one instead of none."
As the BBC does. "None, like no-one," insists this suddenly prescriptive pedant, "always takes a singular verb, 'All of us are human. None of us is perfect,"

None of these BBC usage rulings are sacrosanct.

However, when American English calls for "an audience with the queen," we would do better to say "an audience of the queen." That's the BBC way, and in this instance, Murkins would do well to follow it. (And when we're with her, we should say something like "Looks as if raming.")

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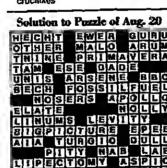
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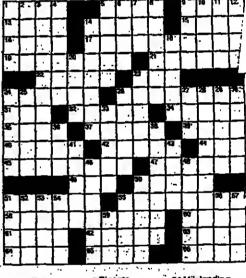
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